BILL NO. S-85-10-31 (as amended)

SPECIAL ORDINANCE NO. S-201-85

AN ORDINANCE AMENDING CHAPTER 28 OF THE MUNICIPAL CODE ENTITLED TAXICABS

WHEREAS, Chapter 28 of The Fort Wayne Municipal Code of Fort Wayne, Indiana of 1974 is in need of revision,

NOW, THEREFOR BE IT ORDAINED BY THE COMMON COUNCIL OF FORT WAYNE, INDIANA:

SECTION 1. That Chapter 28 is hereby repealed and replaced with a new Chapter 28 of The Municipal Code entitled "Taxicabs", which new chapter is annexed hereto.

Charles S. Redd
Councilmember

Approved as to form and legality

Stanley A. Levine, Council Attorney

Read the first time in full and on motion by _____, seconded by _____, and duly adopted, read the second time by title and referred to the Committee _____ (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne Indiana, on _____, the _____ day of _____, 19____, at _____ o'clock ____.M.,E.S

DATE: ~~10-22-85~~ Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Redd, seconded by Talarico, and duly adopted, placed on its passage. PASSED (~~LOST~~) by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT	TO-WIT:
TOTAL VOTES	9	0			
BRADBURY	✓				
BURNS	✓				
EISBART	✓				
GiaQUINTA	✓				
HENRY	✓				
REDD	✓				
SCHMIDT	✓				
STIER	✓				
TALARICO	✓				

DATE: 10-22-85 Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (~~ANNEXATION~~) (~~APPROPRIATION~~) (GENERAL) (SPECIAL) (~~ZONING MAP~~) ORDINANCE (~~RESOLUTION~~) NO. S-201-85 on the 22nd day of October, 19 85,

ATTEST: (SEAL)

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Mark E. GiaQuinta
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 30th day of October, 19 85, at the hour of 2:30 o'clock P.M.,E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 4th day of November, 19 85, at the hour of 8:00 o'clock A.M.,E.S.T.

Win Moses Jr.
WIN MOSES, JR., MAYOR

BILL NO. S-85-10-31 (as amended)

SPECIAL ORDINANCE NO. S-201-85

CHAPTER 28 OF THE
MUNICIPAL CODE ENTITLED "TAXICABS"

ARTICLE I
IN GENERAL

SEC. 28-1. DEFINITIONS

For the purposes of this chapter the following words and phrases shall have the meanings respectively ascribed to them by this section:

License: License shall mean a license to allow an individual to drive a permitted taxicab in the City.

Person: Person, as used in this Chapter, shall mean an individual, partnership or corporation.

Permit: Permit shall mean a permit for the utilization of a taxicab in the City, issued upon the approval and by the order of the Board of Public Works and Safety of the City of Fort Wayne.

Taxicab: A taxicab means a motor vehicle used for the performance of a contract for the transportation of passengers or groups of passengers for hire, to and from points chosen or designated by the passengers or groups of passengers, and running over any available route between such points, but not at the time being operated over or along a definite, advertised, announced or substantially fixed route, from, to or between definite or substantially fixed terminals, locations or districts or according to substantially fixed or announced times or intervals of arrival or departure.

Taxicab Inspector: Taxicab Inspector is that individual designated by the Board of Public Works and Safety to perform inspections of taxicabs.

Taximeter: The word "taximeter", as used in this article, shall mean a mechanical device which records and indicates a charge of fare measured by the distance travelled, waiting time, if any, and extra passengers, if any.

The use of the feminine pronoun shall be deemed to include either gender whenever it appears in this Chapter.

ARTICLE II
ADMINISTRATION

SEC. 28-2. PERMIT AND COMPLIANCE WITH CHAPTER REQUIRED

It shall be unlawful for any person to engage in the business of operating a taxicab without first obtaining a taxicab vehicular permit for each taxicab as required by this Chapter.

It shall be unlawful for any person to engage in the business of operating taxicabs except in compliance with the provisions contained in this Chapter.

SEC. 28-3. AUTHORITY OF BOARD OF PUBLIC WORKS AND SAFETY

(a) Board of Public Works and Safety, subject to approval of the Fort Wayne Common Council, is vested with power and authority and it shall be it's duty to supervise and regulate taxicab performance and determine the adequacy of the service being furnished.

Nothing contained herein shall be construed as granting unto the Board of Public Works and Safety the power to establish rates of fares which power is hereby exclusively withheld.

Whenever the Board of Public Works and Safety shall exercise its power and authority by establishing fines or regulatory standards for equipment and/or performance pursuant to the provisions contained herein, said Board shall submit a copy of any such fine schedule or regulations in the form of a Resolution to be approved by the Common Council prior to their implementation.

(b) Board of Public Works and Safety shall have the power and authority to prescribe and administer rules and regulations and issue orders, in conformity with the provisions of this ordinance, to prescribe the conduct of persons operating taxicabs in the City of Fort Wayne. The Board of Public Works and Safety may hire persons to carry out it's function, including but not limited to vehicle inspections, taximeter inspections and random inspections to determine whether fare are being charged which conform to the rates posted in and on the vehicle.

(c) The Board of Public Works and Safety shall keep on file in its office, open to the inspection of the public, the following information:

(1) A register of names of each person engaged in the taxicab business with the date and complete record of inspection made of all vehicles operated pursuant to this Chapter.

(2) An indexed record of all orders made and entered under and pursuant to the provisions of this Chapter.

(d) In addition to maintaining a list of permittees, the Board of Public Works and Safety shall assign a serial body number to each motor vehicle described in such list as originally filed or amended, and place such number opposite the description of such motor vehicle in such list.

The Board of Public Works and Safety shall provide a metal number plate for each motor vehicle for which a permit has been issued and which is described in the schedule filed with the Board of Public Works and Safety, on which such plate shall be printed or stamped the words "Taxi No. _____, 19____, Fort Wayne, Indiana", which plate shall, at all times when such motor vehicle is being operated or used upon any public street, highway, or other public place in the City as a taxicab, be conspicuously displayed on the rear thereof. In the event the holder of any permit desires to transfer any such plate from the motor vehicle for which it was issued, and use the same on another motor vehicle, he shall immediately notify the Board of Public Works and Safety and furnish them with the name of the maker, the serial number and the seating capacity of such motor vehicle to which such plate is to be transferred.

(e) For the violation of any of the provisions of this Chapter regulating the operation and use of taxicabs in the City and any regulation issued by the Board of Public Works and Safety pursuant to the authority conferred upon such Board by virtue of the provisions of this Chapter, or for any other sufficient cause, the Board of Public Works and Safety of the City may, upon the application therefor filed

by any person, or upon the motion of such Board or any member thereof, revoke any permit issued under the provisions of this Chapter. Upon the filing of any such application or motion, the clerk of the Board of Public Works and Safety of the City shall cause the same to be docketed for hearing before the Board of Public Works and Safety and shall serve a copy of such application or motion on the holder of such permit, together with a notice of the date set for hearing thereon, at least five (5) days prior to the date of the hearing.

(f) The Board of Public Works and Safety is hereby authorized to promulgate a schedule of fines which may be levied in lieu of, or in addition to, the revocation of any permit issued under the provisions of this Chapter. Any such regulation shall also include provisions for a notice and hearing before the Board of Public Works and Safety in those cases where the levy of a fine is disputed by the permit holder.

SEC. 28-4. APPEALS FROM ORDERS MADE BY BOARD OF PUBLIC WORKS AND SAFETY

Any person adversely affected by any order made by the Board of Public Works and Safety of the City under the provision of this Chapter may, within twenty (20) days after such order is entered, commence an action in the Circuit or the Superior Courts of Allen County against the Board of Public Works and Safety to vacate or set aside any such order on the ground that such order is insufficient, unreasonable, unlawful or procured by fraud or other unlawful methods. Summons shall issue upon the complaint filed in such action and be served on the Board of Public Works in the manner now provided by law in civil actions, and the procedure in the trial of such cause and shall be the same in the trial of civil actions. An appeal from the judgment of the Allen Circuit or Superior Courts in any such cause may be taken to the appropriate appeals Court in the manner now provided for appeals in civil actions.

28-5. APPLICATION - PROOF OF COMPLIANCE WITH MINIMUM STANDARDS

(a) Any person desiring to operate taxicabs in or upon any public street or in any public place within the City of Fort Wayne

shall file an application for a permit with the Clerk of Board of Public Works and Safety upon a form which the Board of Public Works and Safety shall provide, free of charge, to all applicants. Such applications shall be verified under oath and shall furnish the following information:

(1) The name of the applicant;

(2) The name of the applicant's business and whether the business is owned individually, as a partnership, or as a corporation;

(3) Applicant's business location;

(4) Applicant's business mailing address;

(5) Applicant's business phone number;

(6) Applicant's home address and home phone number of the person signing the application;

(7) The number of permits requested;

(8) Make, model, vehicle identification number, title number and state license plate number for each vehicle to be permitted;

(9) The trade name under which the business will operate, the telephone number which will be used by customers to contact the business for service, the color scheme of the vehicles the applicant intends to operate;

(10) The names and addresses of any and all persons holding a ten percent (10%) or greater beneficial interest in the applicant's business or company. Failure to disclose such interest holders shall be grounds for the denial of the application of any applicant and the immediate revocation of the permit or permits of any permittee;

(11) A statement by the applicant that it intends to own or lease at least three (3) taxicabs for use in her business;

(12) The type and amount of communication equipment which the applicant intends to own or lease for the use in her business. Nothing contained herein shall prevent the applicant from renting communication services from an existing dispatch provider;

(13) Whether the applicant is capable of providing or intends to provide full 24 hour, taxicab service in each day of each week, in the operation of her business;

(14) A statement by the applicant that it intends to purchase a policy of insurance which conforms to the requirements for insurance set out in this Chapter;

(15) Such other information as the Board of Public Works and Safety may require.

(b) The applicant shall also submit attachments to the application, to the Board of Public Works and Safety to show compliance with the following terms and conditions:

(1) Proof of inspection of the vehicle by a taxicab inspector to be designated by the Board of Public Works and Safety pursuant to Article IV, below.

(2) Insurance certification proving that the applicant has met the insurance requirements of this Chapter.

(3) Such other documentation as may be required by the Board of Public Works and Safety, necessary to verify the truthfulness of the application under consideration.

SEC. 28-6. ISSUANCE OF PERMITS

(a) After examining all submitted applications for compliance with this Chapter, the Board of Public Works and Safety shall issue or deny permits to the qualifying applicants on a first come, first serve basis, as determined by the date the application was submitted. Permits shall be issued or denied within sixty (60) days after the date of the application submission.

(b) A minimum of three (3) permitted 4-door vehicles shall be required for a person to operate in the City of Fort Wayne. No permits shall be issued to any individual or taxicab company who, upon initial application for permit, fails to qualify at least three (3) vehicles for receipt of permits. Any person engaged in the taxicab business in Fort Wayne under a permit or permits first issued by the Board of Public Works and Safety are prohibited from reducing the number of permits they hold to under three (3) vehicles.

(c) Upon issuance of permits by the Board of Public Works and Safety, the permittee shall pay a permit fee to be determined by the Board of Public Works and Safety and approved by Resolution of the Fort Wayne Common Council. Said permit shall be valid for one (1)

year, to terminate on the last day of the month in which the permit was issued the year prior.

SEC. 28-7. ANNUAL RENEWAL OF PERMIT

(a) Renewal permits shall be applied for and issued in the same manner and upon the same basis as original permits and for each renewal permit a fee established by the Board of Public Works and Safety and approved by Resolution of the Fort Wayne Common Council shall be charged and paid to the clerk of the Board of Public Works and Safety. The Board shall review each application and within sixty (60) days of the receipt of the application, either approve or deny it. In making the decision, the Board shall consider the following:

(1) Adherence of the owner and/or operator of the vehicle to the provisions of this Chapter and other applicable Chapters of the Code of the City of Fort Wayne;

(2) Whether or not the requirements for issuance of any initial permit as described in this Chapter continue to be met;

(3) Provided, however, that the Board shall, prior to the denial of any application for renewal of permits, conduct a public hearing, upon ten (10) days notice to the applicant at the address listed on said applicant's original application. The hearing shall allow the applicant to present evidence of compliance with this Chapter.

(b) Any permit holder whose annual permit renewal has been denied by the Board of Public Works and Safety may, within thirty (30) days after the application for permit renewal is denied, appeal the Board's decision in the manner set out in Section 28-4 above.

ARTICLE III
OBLIGATIONS OF PERMIT HOLDERS

SEC. 28-8. SERVICE REQUIRED

All persons holding City taxicab permits shall have the obligation to provide good and reasonable service at all times to all parts of the City twenty-four (24) hours a day, each and every day of the year, unless prevented by a labor strike or an act of God. All persons holding City taxicab permits shall procure the services of a business office with sufficient employees to answer all calls twenty-four (24)

hours a day, each and every day of the year. Taxicab permit holders shall additionally be required to obtain at first opportunity and thereafter to maintain a listing of their trade name and phone number where the public can reach the permit holder's dispatch in order to obtain service.

SEC. 28-9. ALL PERMITS TO BE KEPT ACTIVE

All persons holding City taxicab permits must maintain in operating condition the vehicles for which the permits were issued. In the event that a vehicle for which a permit has been issued becomes inoperable, the person holding the permit shall notify the Board of Public Works and Safety immediately and shall have ninety (90) days from the date of such notification to make the vehicle operable or to purchase a replacement vehicle. If the vehicle has not been made operable within ninety (90) days, the permit for that vehicle shall be revoked.

SEC. 28-10. DRIVER INFORMATION

Every holder of a permit to operate taxicabs issued as provided in this Article shall maintain on file in his own office the name, photograph, fingerprints, current address and the chauffeur's license number of each of his drivers, and the name and address of the next of kin of such driver who should be notified in case of emergency. Any changes in the information set out above shall be forwarded to the Board of Public Works and Safety.

SEC. 28-11. LIABILITY INSURANCE

(a) During the term of a permit issued pursuant to this Chapter, the permittee or owner of a taxicab authorized by the permit shall maintain in full force and effect at no cost to the City a comprehensive auto and general liability insurance policy. The terms and conditions of the policy shall provide for the following:

(1) Liability coverage in an amount no less than $500,000 single limit per occurrence; and

(2) Issued by an admitted insurer or insurers as defined by the laws of the State of Indiana; and

(3) Providing that the City of Fort Wayne, its officers, employees and agents are to be named as additional insureds under the policy; and

(4) Covering all losses and damages as specified in Section 28-12; and

(5) Stipulating that the policy will operate as primary insurance and that no other insurance effected by the City or other named insured will be called on to contribute to a loss covered thereunder; and

(6) Embodies in the policy a provision that no cancellation, change in coverage, or expiration by the insurance company or the insured shall occur during the term of the taxicab vehicular permit, without thirty (30) days written notice to the Board of Public Works and Safety prior to the effective date of such cancellation or change in coverage.

(b) The fully paid policy of insurance required by subsection (a) shall be presented to the Board of Public Works and Safety at the time of making application for permits and at the time of inspection as set out in Section 28-12.

(c) In the event of failure of any owner to obtain or maintain in effect such deposit or such insurance policy, the Board of Public Works and Safety shall order the cancellation of the permit as provided in this Section.

(d) The Board of Public Works and Safety may authorize alternatives to the insurance requirements of this Section, including self-insurance as provided for under the laws of the State of Indiana, after determining that the public health and safety will not be jeopardized thereby. Any such alternatives shall first be approved by Resolution of the Common Council.

SEC. 28-12. <u>INDEMNITY AND HOLD HARMLESS</u>

The permittee and taxicab owner(s) shall assume the defense of, and indemnify and hold harmless, the City, its officers, employees and agents from and against all actions, claims, losses, damages, liability, costs and expenses of every type and description, including but not limited to attorney fees, to which any or all of them may be subjected by reason of, or resulting from, directly or indirectly, in whole or in part, the acts or omissions of the permittee or the permittee's agents, officers or employers, directly or indirectly arising from the operation of a taxicab. The foregoing is not intended to and

shall not be construed to limit any responsibility or liability that the permittee may be subjected to under other laws.

ARTICLE IV
VEHICLES AND EQUIPMENT

SEC. 28-13. INSPECTION, RULES AND REGULATIONS

Prior to the use and operation of any vehicle under the provisions of this Chapter, such vehicle shall be delivered to a place designated by the Board of Public Works and Safety for inspection. The vehicle shall be inspected by the Taxicab Inspector to ascertain whether it complies with such reasonable rules and regulations as may be prescribed by the Board of Public Works and Safety and the provisions of this Chapter. These rules and regulations shall be promulgated by the Board of Public Works and Safety to provide safe and clean transportation and shall specify conditions and safety equipment deemed necessary therefore.

When a Taxicab Inspector finds that a vehicle has met all the established standards, he shall inform the Board of Public Works and Safety, which shall issue a sticker to that effect to be affixed to the windshield of the vehicle.

SEC. 28-14. FREQUENCY OF INSPECTION; FEE

(a) Every vehicle operating under this Chapter shall be inspected initially and every twelve (12) months thereafter by the Taxicab Inspector to ensure the continued maintenance of clean, safe operating conditions. Every vehicle must also be inspected after it has been involved in an accident and before it is operated after said accident. A fee shall be charged by the Board of Public Works and Safety for the purpose of maintaining inspections which fee shall be determined by the Board and approved by Resolution of the Common Council.

(b) In addition, the Taxicab Inspector or peace officers commissioned by the City of Fort Wayne, after displaying proper identification, may make reasonable and periodic inspections of any vehicle operating under a taxicab permit for the purpose of determining whether the vehicle is in compliance with the provisions of this article and the rules and regulations promulgated by the Board of Public Works and Safety.

(c) Any vehicle which is found, after any such inspection, to be unsafe or in any way unsuitable for taxi service may be immediately ordered out of service, and before again being placed in service, shall be placed in a safe, suitable condition, inspected and approved by the Taxicab Inspector.

SEC. 28-15. REFUSAL TO ALLOW INSPECTION

If any person who owns or is in control of a taxicab refuses to allow the inspection of the vehicle, the permit for that vehicle shall be automatically revoked upon the verified statement of the Taxicab Inspector, and shall not be reissued for a period of ninety (90) days, and until the vehicle has been presented for inspection.

SEC. 28-16. EQUIPMENT AND CONDITION OF TAXICABS

The Board of Public Works and Safety is hereby empowered to promulgate rules and regulations not inconsistent with the provisions of this Chapter as may be necessary or desirable to aid in attaining compliance with the provisions and purposes of this Chapter. The rules and regulations shall include, but shall not be limited to the following minimum standards:

(a) Taximeter. Every taxicab shall be equipped with a taximeter of a make satisfactory to the Board of Public Works and Safety. The use of any inaccurate taximeter or other measuring instrument for the purpose of gauging or indicating distance traveled, or waiting time, for the purpose of fixing rates to be collected from the public is hereby prohibited; and it shall be the duty of the owner or operator using any taximeter to keep said taximeter accurate.

(1) Every taximeter used for the purpose of gauging or indicating distance traveled or waiting time, or for the purpose of collection of fares for the public shall be inspected by the City of Fort Wayne Bureau of Weights and Measures or his designee, once every six (6) months. If any meter is found to be inaccurate, the taxicab to which it is attached shall not be operated until such meter is properly approved and

adjusted on reinspection. When any inspection shows that a taximeter accurately records the proper fare it shall be sealed under the direction of the inspector of weights and measures of the City, or his designee, and a written certificate of inspection shall be issued to the owner of any such taxicab. It shall be unlawful for any unauthorized person to tamper with, break or mutilate any taximeter or the seal there with the purpose of causing such taximeter to register any fare incorrectly, or for any other purpose whatsoever. It shall be unlawful for any person to operate any taxicab without an operating taximeter in compliance herewith.

(2) Every taximeter shall be so placed in said taxicab that the reading dial showing the amount to be charged shall be well lighted and readily discernible by the passenger riding in such taxicab.

(b) Color. Each taxicab of any permittee shall be of a distinctive color scheme, and no vehicle covered by the terms of this Chapter shall be operated whose color scheme, identifying design, monogram, or insignia to be used therein shall, in the opinion of the Board of Public Works and Safety, conflict with or imitate any color scheme, design, monogram, or insignia used on or in any vehicle or vehicles used operating under another taxicab permit of the City, or pursuant to any other such law or statute, in such manner as to be misleading or intended to deceive or defraud the public.

(c) Display of Names and Rates.

(1) Rate Structure. The Board of Public Works and Safety shall promulgate rules and regulations requiring the external display of the fare structure of the permittees' taxicabs. The display shall include:

(a) The distance for which the original flag drop pays;

(b) The rate per mile thereafter;

(c) The charge per minute waiting time;

(d) Any surcharges added to the fare for service to specific locations or during specific hours.

(2) Exterior Information. There shall be on the outside of each taxicab, signs, cards or plates, of a durable or permanent structure, showing the permittee's taxicab business name, taxicab permit number and current telephone number. The taxicab business name and telephone number shall be displayed prominently on both sides of the taxicab in accordance with Board of Public Works and Safety regulations.

(d) Exterior Conditions.

(1) All taxicabs vehicle bodies shall conform to the general specifications of the manufacturer.

(2) All exterior paint work shall be maintained in good condition, free of substantial scratches, chips and abrasions.

(3) All doors must have operating handles that allow opening from both inside and outside. Handles, knobs, and arm rests are to be free of breaks and must be securely mounted.

(4) All suspension components affecting the ride and safety of vehicle shall be maintained such that they comply with the manufacturer's specifications.

(5) All windshield and window glass shall be maintained free from cracks, scratches, pitting, abrasions, or any other condition that reduces clarity of vision.

(e) Interior Conditions.

(1) Seat covers shall be permanently attached or fixed to the seats of the vehicle and have no exposed wire or sharp edges either from metal or hard-

ened vinyl. No broken springs, sagging or horizontal slippage is allowable in either seat.

(2) Seat belts are to be in operating condition and easily accessible by all passengers.

(3) Every operating permit holder shall ensure that the interior of her taxicab is maintained at all times in a reasonably clean condition.

(f) All taxicabs shall be equipped with 2-way radios or comparable communication devices such that office dispatchers may immediately and effectively notify drivers of requests for service. No taxicab permit holder shall possess in her place of business or dispatch operation any device used for the monitoring of a competitor's radio frequency.

ARTICLE V
TAXICAB DRIVER LICENSE

SEC. 28-17. LICENSE REQUIRED

No person shall drive for compensation or offer to drive for compensation a taxicab unless she holds a valid taxicab driver license issued pursuant to this Article.

SEC. 28-18. LICENSE PROCEDURE

Applications for a taxicab driver license shall be filed with the Board of Public Works and Safety. Such applications shall be verified under oath and shall contain the following:

(a) The name and address of the applicant;

(b) The number of a valid state chauffeur's license issued to the applicant, and date of license expiration;

(c) A statement of whether the applicant's state driver license has ever been revoked or suspended and, if so, the reason(s) for such revocation or suspension together with the applicant's current Bureau of Motor Vehicles driver's license abstract;

(d) A list of each conviction of the applicant, whether such conviction was; by verdict or plea of guilty. The list shall, for each such conviction, set forth the date of arrest, the offense charged, and the offense of which applicant was convicted;

(e) A list of the applicant's physical or mental disabilities or incapacities. With respect to each such disability or incapacity, applicant shall state whether the same would in-

terfere with the proper management and control of a motor vehicle;

(f) A statement as to whether applicant is or ever has been addicted to the use of alcohol or any controlled substance as defined in the State Criminal Code;

(g) A list of all prescription medication which applicant takes on a regular or episodic basis;

(h) An annual non-proratable permit fee determined by the Board of Public Works and Safety and approved by Resolution of the City Council;

(i) Such other information as may be required by the Board of Public Works and Safety to further the purpose of this Chapter.

SEC. 28-19. LICENSE ISSUANCE

(a) A taxicab driver license shall be issued by the Board of Public Works and Safety:

(1) Upon receipt of a complete application as specified in Section 28-18; and

(2) If no ground for permit denial or revocation exists, as specified in Section 28-20 or Section 28-21; and

(3) After fingerprinting of the applicant by the Police Department, and submission of two (2) recent dated portrait photographs, one to be attached to the application and one to be attached to the driver's license, if issued.

(b) All licenses shall expire on July 31 of the calendar year following the date of issuance unless sooner revoked. A license shall not be transferable.

SEC. 28-20. GROUNDS FOR LICENSE DENIAL

A taxicab driver's license may be denied by the Board of Public Works and Safety on the following grounds:

(a) Failure to submit a complete application, as specified in Section 28-18;

(b) Failure to submit fingerprinting and photographs, as required by Section 28-19;

(c) The applicant knowingly made a false statement of fact required to be revealed in the license application;

(d) The applicant:

(1) Has done any act involving dishonesty, fraud, or deceit with intent to substantially benefit him or herself, or another, or substantially injure another; or

(2) Has a physical or mental disability or incapacity, or takes medication, uses alcohol or any controlled substance as defined in the State Criminal Code.

Provided, however, that the permit shall be denied upon any of the grounds specified in this sub-section (d) only if, in the opinion of the Board of Public Works and Safety, after consultation with the Chief of Police, the crime, act, disability, incapacity or impairment from a substance consumed is substantially related to the qualifications, functions or duties of a taxicab driver.

SEC. 28-21. UNLAWFUL ACTIVITIES

(a) It shall be unlawful for any person to operate a taxicab for compensation with knowledge that the taxicab or taximeter is not authorized by a valid permit or that grounds for revocation or suspension of said permit exist either pursuant to the rules and regulations hereafter promulgated by the Board of Public Works and Safety or the provisions contained in this Chapter.

(b) It shall be unlawful for any taxicab driver or person in the business of operating a taxicab for compensation to do any of the following:

(1) Charge an additional type of fee or higher fee other than those fees posted, as required by Section 28-17(c). It shall be lawful to charge a fare less than those posted;

(2) The driver of a taxicab shall not throw the flag of a taximeter in a recording position when such taxicab is not actually employed. The driver of a taxicab shall throw the flag of such taximeter to the non-recording position at the termination of each service.

(3) Transport a greater number of passengers than the rated seat capacity of the taxicab; or

(4) Fail to answer all calls received in the order of receipt unless the licensee reasonably believes the receipt of a call will place her in fear of bodily harm; or

(5) Refuse, upon request, to give a passenger a written receipt showing the fare due, and the miles and minutes employed; or

(6) For the primary purpose of obtaining higher fees, drive passengers via indirect or circuitous routes; or

(7) Refuse to provide service on the basis of the short length of the prospective ride; or

(8) Fail to display a valid license, issued pursuant to this Article, in the taxicab interior in full view of any passenger; or

(9) Pick up additional passengers without prior consent of the passenger(s) already in the taxicab; or

(10) Smoke while the vehicle is occupied by a passenger; or

(11) Use a taxicab for any illegal activity.

The Board of Public Works and Safety is hereby authorized to promulgated a schedule of fines for violations for the above-mentioned unlawful activities. Any such regulation shall also include a provision for a notice and hearing before the Board of Public Works and Safety in those cases where the levy of a fine is disputed; by the license holder.

(c) Nothing contained in this Article shall prevent any taxicab driver or person in the business of operating a taxicab from charging an additional fee or surcharge from that measured by the taximeter for providing service during certain hours or to certain locations, provided:

(1) The passenger is advised of the additional fee or surcharge at the time the passenger requests the dispatch of the taxicab; and

(2) The taxicab driver verbally advises the passenger of the additional fee or surcharge before the initial flat drop; and

(3) The additional fee or surcharge is posted pursuant to the provisions of this Chapter and the rules and regulations promulgated by the Board of Public Works and Safety.

SEC. 28-22. GROUNDS FOR LICENSE REVOCATION, SUSPENSION OR IMPOSITION OF FINE

A taxicab driver's license may be revoked or suspended or the licensee may be subject to a fine by the Board of Public Works and Safety on any of the following grounds:

(a) Violation of Section 28-21; or

(b) If, since the issuance of the license, grounds for license denial pursuant to Section 28-20 have occurred, or the applicant has been found by the Board of Public Works and Safety to have knowingly made a false statement of fact required to be revealed in the permit application; or

(c) Transfer or sale of the license to an individual other than the person specified on the license application.

SEC. 28-23. PROCEDURE FOR LICENSE DENIAL, REVOCATION, SUSPENSION OR IMPOSITION OF FINE

(a) The Board of Public Works and Safety may refuse to issue, revoke or suspend a taxicab driver's license or levy a fine against the licensee only after a hearing granted, upon ten (10) days written notice to the licensee. Such notice shall specify the specific grounds for the proposed action. At the hearing, to be held by the Board of Public Works and Safety, the licensee shall be given the opportunity to present witnesses and documentary evidence, to be represented by counsel, and to examine all witnesses presented. The Chairman of the Board of Public Works and Safety shall mail or otherwise furnish to the licensee a written decision, stating the grounds for the decision.

(b) If the licensee is dissatisfied with the decision of the Chairman of the Board of Public Works and Safety in ordering the denial, revocation or suspension of the license, such person may appeal in the manner provided in Section 28-4.

SEC. 28-24. DISPLAY OF LICENSE

The driver of every taxicab shall have her license visibly displayed in such vehicle at all times and shall produce it upon demand of any passenger or Taxicab Inspector.

SECTION 2. That this Ordinance shall be in full force and effect on the 1st day of January, 1986, and thereafter providing it is first passed by the Common Council and receives all necessary approval by the Mayor.

BILL NO. S-85-10-31 SPECIAL ORDINANCE NO. S-201-85

AN ORDINANCE AMENDING CHAPTER 28 OF THE MUNICIPAL CODE ENTITLED TAXICABS

ARTICLE I
IN GENERAL

SEC. 28-1. DEFINITIONS

For the purposes of this chapter the following words and phrases shall have the meanings respectively ascribed to them by this section:

License: License shall mean a license to allow an individual to drive a permitted taxicab in the City.

Permit: Permit shall mean a permit for the utilization of a taxicab in the City, issued upon the approval and by the order of the Board of Public Works and Safety of the City of Fort Wayne.

Taxicab: A taxicab means a motor vehicle used for the performance of a contract for the transportation of passengers or groups of passengers for hire, to and from points chosen or designated by the passengers or groups of passengers, and running over any available route between such points, but not at the time being operated over or along a definite, advertised, announced or substantially fixed route, from, to or between definite or substantially fixed terminals, locations or districts or according to substantially fixed or announced times or intervals of arrival or departure.

Taxicab Inspector: Taxicab Inspector is that individual designated by the Board of Public Works and Safety to perform inspections of taxicabs.

Taximeter: The word "taximeter", as used in this article, shall mean a mechanical device which records and indicates a charge of fare measured by the distance travelled, waiting time, if any, and extra passengers, if any.

The use of the feminine pronoun shall be deemed to include either gender whenever it appears in this Chapter.

ARTICLE II
ADMINISTRATION

SEC. 28-2. PERMIT AND COMPLIANCE WITH CHAPTER REQUIRED

It shall be unlawful for any person to engage in the business of operating a taxicab without first obtaining a taxicab vehicular permit for each taxicab as required by this Chapter.

It shall be unlawful for any person to engage in the business of operating taxicabs except in compliance with the provisions contained in this Chapter.

SEC. 28-3. AUTHORITY OF BOARD OF PUBLIC WORKS AND SAFETY

(a) Board of Public Works and Safety, subject to approval of the Fort Wayne Common Council, is vested with power and authority and it shall be it's duty to supervise and regulate taxicab performance and determine the adequacy of the service being furnished.

Nothing contained herein shall be construed as granting unto the Board of Public Works and Safety the power to establish rates of fares which power is hereby exclusively withheld.

Whenever the Board of Public Works and Safety shall exercise its power and authority by establishing regulatory standards for equipment and/or performance, said Board shall submit a copy of any such regulations to the President of the Common Council and to the Chairman of the Regulations Committee of the Common Council.

(b) Board of Public Works and Safety shall have the power and authority to prescribe and administer rules and regulations and issue orders, in conformity with the provisions of this ordinance, to prescribe the conduct of persons operating taxicabs in the City of Fort Wayne. The Board of Public Works and Safety may hire persons to carry out it's function, including but not limited to vehicle inspections, taximeter inspections and random inspections to determine whether fare are being charged which conform to the rates posted in and on the vehicle.

(c) The Board of Public Works and Safety shall keep on file in its office, open to the inspection of the public, the following information:

(1) A register of names of each person engaged in the taxicab business with the date and complete record of inspection made of all vehicles operated pursuant to this Chapter.

(2) An indexed record of all orders made and entered under and pursuant to the provisions of this Chapter.

(d) In addition to maintaining a list of permittees, the Board of Public Works and Safety shall assign a serial body number to each motor vehicle described in such list as originally filed or amended, and place such number opposite the description of such motor vehicle in such list.

The Board of Public Works and Safety shall provide a metal number plate for each motor vehicle for which a permit has been issued and which is described in the schedule filed with the Board of Public Works and Safety, on which such plate shall be printed or stamped the words "Car No. _____, 19____, Fort Wayne, Indiana", which plate shall, at all times when such motor vehicle is being operated or used upon any public street, highway, or other public place in the City as a taxicab, be conspicuously displayed on the rear thereof. In the event the holder of any permit desires to transfer any such plate from the motor vehicle for which it was issued, and use the same on another motor vehicle, he shall immediately notify the Board of Public Works and Safety and furnish them with the name of the maker, the serial number and the seating capacity of such motor vehicle to which such plate is to be transferred.

(e) For the violation of any of the provisions of this Chapter regulating the operation and use of taxicabs in the City and any regulation issued by the Board of Public Works and Safety pursuant to the authority conferred upon such Board by virtue of the provisions of this Chapter, or for any other sufficient cause, the Board of Public Works and Safety of the City may, upon the application therefor filed by any person, or upon the motion of such Board or any member thereof, revoke any permit issued under the provisions of this Chapter. Upon

the filing of any such application or motion, the clerk of the Board of Public Works and Safety of the City shall cause the same to be docketed for hearing before the Board of Public Works and Safety and shall serve a copy of such application or motion on the holder of such permit, together with a notice of the date set for hearing thereon, at least five (5) days prior to the date of the hearing.

(f) The Board of Public Works and Safety is hereby authorized to promulgate a schedule of fines which may be levied in lieu of, or in addition to, the revocation of any permit issued under the provisions of this Chapter. Any such regulation shall also include provisions for a notice and hearing before the Board of Public Works and Safety in those cases where the levy of a fine is disputed ;by the permit holder.

SEC. 28-4. APPEALS FROM ORDERS MADE BY BOARD OF PUBLIC WORKS AND SAFETY

Any person adversely affected by any order made by the Board of Public Works and Safety of the City under the provision of this Chapter may, within twenty (20) days after such order is entered, commence an action in the Circuit or the Superior Courts of the County against the Board of Public Works and Safety to vacate or set aside any such order on the ground that such order is insufficient, unreasonable, unlawful or procured by fraud or other unlawful methods. Summons shall issue upon the complaint filed in such action and be served on the Board of Public Works in the manner now provided by law in civil actions, and the procedure in the trial of such cause and shall be the same in the trial of civil actions. An appeal from the judgment of the Circuit or Superior Courts in any such cause may be taken to the appropriate appeals Court in the manner now provided for appeals in civil actions.

28-5. APPLICATION - PROOF OF COMPLIANCE WITH MINIMUM STANDARDS

(a) Any person, firm or corporation desiring to operate taxicabs in or upon any public street or in any public place within the City of Fort Wayne shall file an application for a permit with the Clerk of Board of Public Works and Safety upon a form which the Board

of Public Works and Safety shall provide, free of charge, to all applicants. Such applications shall be verified under oath and shall furnish the following information:

(1) The name of the applicant;

(2) The name of the applicant's business;

(3) Applicant's business location;

(4) Applicant's business mailing address;

(5) Applicant's business phone number;

(6) Applicant's home address and home phone number;

(7) The number of permits requested;

(8) Make, model, vehicle identification number, title number and state license plate number for each vehicle to be permitted;

(9) The trade name under which the business will operate, the telephone number which will be used by customers to contact the business for service, the color scheme of the vehicles the applicant intends to operate;

(10) The names and addresses of any and all persons holding a ten percent (10%) or greater beneficial interest in the applicant's business or company. Failure to disclose such interest holders shall be grounds for the denial of the application of any applicant and the immediate revocation of the permit or permits of any permittee;

(11) A statement by the applicant that it intends to own or lease at least three (3) taxicabs for use in her business;

(12) The type and amount of communication equipment which the applicant intends to own or lease for the use in her business. Nothing contained herein shall prevent the applicant from renting communication services from an existing dispatch provider;

(13) Whether the applicant is capable of providing or intends to provide full 24 hour, taxicab service in each day of each week, in the operation of her business;

(14) A statement by the applicant that it intends to purchase a policy of insurance which conforms to the requirements for insurance set out in this Chapter;

(15) Such other information as the Board of Public Works and Safety may require.

(b) The applicant shall also submit attachments to the application, to the Board of Public Works and Safety to show compliance with the following terms and conditions:

(1) Proof of inspection of the vehicle by a taxicab inspector to be designated by the Board of Public Works and Safety pursuant to Article IV, below.

(2) Insurance certification proving that the applicant has met the insurance requirements of this Chapter.

(3) Such other documentation as may be required by the Board of Public Works and Safety, necessary to verify the truthfulness of the application under consideration.

SEC. 28-6. ISSUANCE OF PERMITS

(a) After examining all submitted applications for compliance with this Chapter, the Board of Public Works and Safety shall issue or deny permits to the qualifying applicants on a first come, first serve basis, as determined by the date the application was submitted. Permits shall be issued or denied within sixty (60) days after the date of the application submission.

(b) A minimum of three (3) permitted vehicles shall be required for a person or company to operate in the City of Fort Wayne. No permits shall be issued to any individual or taxicab company who, upon initial application for permit, fails to qualify at least three (3) vehicles for receipt of permits. Any person, partnership or corporation engaged in the taxicab business in Fort Wayne under a permit or permits first issued by the Board of Public Works and Safety are prohibited from reducing the number of permits they hold to under three (3) vehicles.

(c) Upon issuance of permits by the Board of Public Works and Safety, the permittee shall pay a permit fee to be determined by the Board of Public Works and Safety and approved by Resolution of the Fort Wayne Common Council. Said permit shall be valid for one (1) year, to terminate on the last day of the month in which the permit was issued the year prior.

SEC. 28-7. ANNUAL RENEWAL OF PERMIT

(a) Renewal permits shall be applied for and issued in the same manner and upon the same basis as original permits and for each renewal permit a fee established by the Board of Public Works and Safety and approved by Resolution of the Fort Wayne Common Council shall be charged and paid to the clerk of the Board of Public Works and Safety. The Board shall review each application and within sixty (60) days of the receipt of the application, either approve or deny it. In making the decision, the Board shall consider the following:

(1) Adherence of the owner and/or operator of the vehicle to the provisions of this Chapter and other applicable Chapters of the Code of the City of Fort Wayne;

(2) Whether or not the requirements for issuance of any initial permit as described in this Chapter continue to be met;

(3) Provided, however, that the Board shall, prior to the denial of any application for renewal of permits, conduct a public hearing, upon ten (10) days notice to the applicant at the address listed on said applicant's original application. The hearing shall allow the applicant to present evidence of compliance with this Chapter.

(b) Any permit holder whose annual permit renewal has been denied by the Board of Public Works and Safety may, within thirty (30) days after the application for permit renewal is denied, appeal the Board's decision in the manner set out in Section 28-4 above.

ARTICLE III
OBLIGATIONS OF PERMIT HOLDERS

SEC. 28-8. SERVICE REQUIRED

All persons holding City taxicab permits shall have the obligation to provide good and reasonable service at all times to all parts of the City twenty-four (24) hours a day, each and every day of the year, unless prevented by a labor strike or an act of God. All persons holding City taxicab permits shall procure the services of a business office with sufficient employees to answer all calls twenty-four (24) hours a day, each and every day of the year. Taxicab permit holders shall additionally be required to obtain at first opportunity and

thereafter to maintain a listing of their trade name and phone number where the public can reach the permit holder's dispatch in order to obtain service.

SEC. 28-9. ALL PERMITS TO BE KEPT ACTIVE

All persons holding City taxicab permits must maintain in active operation the vehicles for which the permits were issued. In the event that a vehicle for which a permit has been issued becomes inoperable, the person holding the permit shall notify the Board of Public Works and Safety immediately and shall have ninety (90) days from the date of such notification to make the vehicle operable or to purchase a replacement vehicle. If the vehicle has not been made operable within ninety (90) days, the permit for that vehicle shall be revoked.

SEC. 28-10. DRIVER INFORMATION

Every holder of a permit to operate taxicabs issued as provided in this Article shall maintain on file in his own office the name, photograph, fingerprints, current address and the chauffeur's license number of each of his drivers, and the name and address of the next of kin of such driver who should be notified in case of emergency. Any changes in the information set out above shall be forwarded to the Board of Public Works and Safety.

SEC. 28-11. LIABILITY INSURANCE

(a) During the term of a permit issued pursuant to this Chapter, the permittee or owner of a taxicab authorized by the permit shall maintain in full force and effect at no cost to the City a comprehensive auto and general liability insurance policy. The terms and conditions of the policy shall provide for the following:

(1) Liability coverage in an amount no less than $500,000 single limit per occurrence; and

(2) Issued by an admitted insurer or insurers as defined by the laws of the State of Indiana; and

(3) Providing that the City of Fort Wayne, its officers, employees and agents are to be named as additional insureds under the policy; and

(4) Covering all losses and damages as specified in Section 28-12; and

(5) Stipulating that the policy will operate as primary insurance and that no other

insurance effected by the City or other named insured will be called on to contribute to a loss covered thereunder; and

(6) Embodies in the policy a provision that no cancellation, change in coverage, or expiration by the insurance company or the insured shall occur during the term of the taxicab vehicular permit, without thirty (30) days written notice to the Board of Public Works and Safety prior to the effective date of such cancellation or change in coverage.

(b) The fully paid policy of insurance required by subsection (a) shall be presented to the Board of Public Works and Safety at the time of making application for permits and at the time of inspection as set out in Section 28-12.

(c) In the event of failure of any owner to obtain or maintain in effect such deposit or such insurance policy, the Board of Public Works and Safety shall order the cancellation of the permit as provided in this Section.

(d) The Board of Public Works and Safety may authorize alternatives to the insurance requirements of this Section, including self-insurance as provided for under the laws of the State of Indiana, after determining that the public health and safety will not be jeopardized thereby. Any such alternatives shall first be approved by Resolution of the Common Council.

SEC. 28-12. INDEMNITY AND HOLD HARMLESS

The permittee and taxicab owner(s) shall assume the defense of, and indemnify and hold harmless, the City, its officers, employees and agents from and against all actions, claims, losses, damages, liability, costs and expenses of every type and description, including but not limited to attorney fees, to which any or all of them may be subjected by reason of, or resulting from, directly or indirectly, in whole or in part, the acts or omissions of the permittee or the permittee's agents, officers or employers, directly or indirectly arising from the operation of a taxicab. The foregoing is not intended to and shall not be construed to limit any responsibility or liability that the permittee may be subjected to under other laws.

ARTICLE IV
VEHICLES AND EQUIPMENT

SEC. 28-13. INSPECTION, RULES AND REGULATIONS

Prior to the use and operation of any vehicle under the provisions of this Chapter, such vehicle shall be delivered to a place designated by the Board of Public Works and Safety for inspection. The vehicle shall be inspected by the taxicab inspector to ascertain whether it complies with such reasonable rules and regulations as may be prescribed by the Board of Public Works and Safety and the provisions of this Chapter. These rules and regulations shall be promulgated by the Board of Public Works and Safety to provide safe and clean transportation and shall specify conditions and safety equipment deemed necessary therefore.

When a taxicab inspector finds that a vehicle has met all the established standards, he shall inform the Board of Public Works and Safety, which shall issue a sticker to that effect to be affixed to the windshield of the vehicle.

SEC. 28-14. FREQUENCY OF INSPECTION; FEE

(a) Every vehicle operating under this Chapter shall be inspected initially and every six (6) months thereafter by the taxicab inspector to ensure the continued maintenance of clean, safe operating conditions. Every vehicle must also be inspected after it has been involved in an accident and before it is operated after said accident. A fee shall be charged by the Board of Public Works and Safety for the purpose of maintaining inspections which fee shall be determined by the Board and approved by Resolution of the Common Council.

(b) In addition, the Taxicab Inspector or peace officers commissioned by the City of Fort Wayne, after displaying proper identification, may make reasonable and periodic inspections of any vehicle operating under a taxicab permit for the purpose of determining whether the vehicle is in compliance with the provisions of this article and the rules and regulations promulgated by the Board of Public Works and Safety.

(c) Any vehicle which is found, after any such inspection, to be unsafe or in any way unsuitable for taxi service may be immediately ordered out of service, and before again being placed in service, shall be placed in a safe, suitable condition, inspected and approved by the Taxicab Inspector.

SEC. 28-15. REFUSAL TO ALLOW INSPECTION

If any person who owns or is in control of a taxicab refuses to allow the inspection of the vehicle, the permit for that vehicle shall be automatically revoked upon the verified statement of the Taxicab Inspector, and shall not be reissued for a period of ninety (90) days, and until the vehicle has been presented for inspection.

SEC. 28-16. EQUIPMENT AND CONDITION OF TAXICABS

The Board of Public Works and Safety is hereby empowered to promulgate rules and regulations not inconsistent with the provisions of this Chapter as may be necessary or desirable to aid in attaining compliance with the provisions and purposes of this Chapter. The rules and regulations shall include, but shall not be limited to the following minimum standards:

(a) Taximeter. Every taxicab shall be equipped with a taximeter of a make satisfactory to the Board of Public Works and Safety. The use of any inaccurate taximeter or other measuring instrument for the purpose of gauging or indicating distance traveled, or waiting time, for the purpose of fixing rates to be collected from the public is hereby prohibited; and it shall be the duty of the owner or operator using any taximeter to keep said taximeter accurate.

(1) Every taximeter used for the purpose of gauging or indicating distance traveled or waiting time, or for the purpose of collection of fares for the public shall be inspected by the City of Fort Wayne Bureau of Weights and Measures or his designee, once every six (6) months. If any meter is found to be inaccurate, the taxicab to which it is attached shall not

be operated until such meter is properly approved and adjusted on reinspection. When any inspection shows that a taximeter accurately records the proper fare it shall be sealed under the direction of the inspector of weights and measures of the City, or his designee, and a written certificate of inspection shall be issued to the owner of any such taxicab. It shall be unlawful for any unauthorized person to tamper with, break or mutilate any taximeter or the seal there with the purpose of causing such taximeter to register any fare incorrectly, or for any other purpose whatsoever. It shall be unlawful for any person to operate any taxicab without an operating taximeter in compliance herewith.

(2) Every taximeter shall be so placed in said taxicab that the reading dial showing the amount to be charged shall be well lighted and readily discernible by the passenger riding in such taxicab.

(b) Color. Each taxicab of any permittee shall be of a distinctive color scheme, and no vehicle covered by the terms of this Chapter shall be operated whose color scheme, identifying design, monogram, or insignia to be used therein shall, in the opinion of the Board of Public Works and Safety, conflict with or imitate any color scheme, design, monogram, or insignia used on or in any vehicle or vehicles used operating under another taxicab permit of the City, or pursuant to any other such law or statute, in such manner as to be misleading or intended to deceive or defraud the public.

(c) Display of Names and Rates.

(1) Rate Structure. The Board of Public Works and Safety shall promulgate rules and regulations requiring the external display of the fare structure of the permittees' taxicabs. The display shall include:

(a) The distance for which the original flag drop pays;

(b) The rate per mile thereafter;

(c) The charge per minute waiting time;

(d) Any surcharges added to the fare for service to specific locations or during specific hours.

(2) Exterior Information. There shall be on the outside of each taxicab, signs, cards or plates, of a durable or permanent structure, showing the permittee's taxicab business name, taxicab permit number and current telephone number. The taxicab business name and telephone number shall be displayed prominently on both sides of the taxicab in accordance with Board of Public Works and Safety regulations.

(d) Exterior Conditions.

(1) All taxicabs vehicle bodies shall conform to the general specifications of the manufacturer.

(2) All exterior paint work shall be maintained in good condition, free of substantial scratches, chips and abrasions.

(3) All doors must have operating handles that allow opening from both inside and outside. Handles, knobs, and arm rests are to be free of breaks and must be securely mounted.

(4) All suspension components affecting the ride and safety of vehicle shall be maintained such that they comply with the manufacturer's specifications.

(5) All windshield and window glass shall be maintained free from cracks, scratches, pitting, abrasions, or any other condition that reduces clarity of vision.

(e) Interior Conditions.

(1) Seat covers shall be permanently attached or fixed to the seats of the vehicle and have no exposed wire or sharp edges either from metal or hardened vinyl. No broken springs, sagging or horizontal slippage is allowable in either seat.

(2) Seat belts are to be in operating condition and easily accessible by all passengers.

(3) Every operating permit holder shall ensure that the interior of her taxicab is maintained at all times in a reasonably clean condition.

(f) All taxicabs shall be equipped with 2-way radios or comparable communication devices such that office dispatchers may immediately and effectively notify drivers of requests for service. No taxicab permit holder shall possess in her place of business or dispatch operation any device used for the monitoring of a competitor's radio frequency.

ARTICLE V
TAXICAB DRIVER LICENSE

SEC. 28-17. LICENSE REQUIRED

No person shall drive for compensation or offer to drive for compensation a taxicab unless she holds a valid taxicab driver license issued pursuant to this Article.

SEC. 28-18. LICENSE PROCEDURE

Applications for a taxicab driver license shall be filed with the Board of Public Works and Safety, and shall contain the following:

(a) The name and address of the applicant;

(b) The number of a valid state chauffeur's license issued to the applicant, and date of license expiration;

(c) A statement of whether the applicant's state driver license has ever been revoked or suspended and, if so, the reason(s) for such revocation or suspension together with the applicant's current Bureau of Motor Vehicles driver's license abstract;

(d) A list of each conviction of the applicant, whether such conviction was; by verdict or plea of guilty. The list shall, for each such conviction, set forth the date of ar-

rest, the offense charged, and the offense of which applicant was convicted;

(e) A list of the applicant's physical or mental disabilities or incapacities. With respect to each such disability or incapacity, applicant shall state whether the same would interfere with the proper management and control of a motor vehicle;

(f) A statement as to whether applicant is or ever has been addicted to the use of alcohol or any controlled substance as defined in the State Criminal Code;

(g) A list of all prescription medication which applicant takes on a regular or episodic basis;

(h) An annual non-proratable permit fee determined by the Board of Public Works and Safety and approved by Resolution of the City Council;

(i) Such other information as may be required by the Board of Public Works and Safety to further the purpose of this Chapter.

SEC. 28-19. LICENSE ISSUANCE

(a) A taxicab driver license shall be issued by the Board of Public Works and Safety:

(1) Upon receipt of a complete application as specified in Section 28-18; and

(2) If no ground for permit denial or revocation exists, as specified in Section 28-20 or Section 28-21; and

(3) After fingerprinting of the applicant by the Police Department, and submission of two (2) recent dated portrait photographs, one to be attached to the application and one to be attached to the driver's license, if issued.

(b) All licenses shall expire on July 31 of the calendar year following the date of issuance unless sooner revoked. A license shall not be transferable.

SEC. 28-20. GROUNDS FOR LICENSE DENIAL

A taxicab driver's license may be denied by the Board of Public Works and Safety on the following grounds:

(a) Failure to submit a complete application, as specified in Section 28-18;

(b) Failure to submit fingerprinting and photographs, as required by Section 28-19;

(c) The applicant knowingly made a false statement of fact required to be revealed in the license application;

(d) The applicant:

(1) Has done any act involving dishonesty, fraud, or deceit with intent to substantially benefit him or herself, or another, or substantially injure another; or

(2) Has a physical or mental disability or incapacity, or takes medication, uses alcohol or any controlled substance as defined in the State Criminal Code.

Provided, however, that the permit shall be denied upon any of the grounds specified in this sub-section (d) only if, in the opinion of the Board of Public Works and Safety, after consultation with the Chief of Police, the crime, act, disability, incapacity or impairment from a substance consumed is substantially related to the qualifications, functions or duties of a taxicab driver.

SEC. 28-21. UNLAWFUL ACTIVITIES

(a) It shall be unlawful for any person to operate a taxicab for compensation with knowledge that the taxicab or taximeter is not authorized by a valid permit or that grounds for revocation or suspension of said permit exist either pursuant to the rules and regulations hereafter promulgated by the Board of Public Works and Safety or the provisions contained in this Chapter.

(b) It shall be unlawful for any taxicab driver or person in the business of operating a taxicab for compensation to do any of the following:

(1) Charge an additional type of fee or higher fee other than those fees posted, as required by Section 28-17(c). It shall be lawful to charge a fare less than those posted;

(2) The driver of a taxicab shall not throw the flag of a taximeter in a recording position when such taxicab is not actually employed. The driver of a txicab shall throw the flag of

such taximeter to the non-recording position at the termination of each service.

(3) Transport a greater number of passengers than the rated seat capacity of the taxicab; or

(4) Fail to answer all calls received in the order of receipt; or

(5) Refuse, upon request, to give a passenger a written receipt showing the fare due, and the miles and minutes employed; or

(6) For the primary purpose of obtaining higher fees, drive passengers via indirect or circuitous routes; or

(7) Refuse to provide service on the basis of the short length of the prospective ride; or

(8) Fail to display a valid license, issued pursuant to this Article, in the taxicab interior in full view of any passenger; or

(9) Pick up additional passengers without prior consent of the passenger(s) already in the taxicab; or

(10) Smoke while the vehicle is occupied by a passenger.

The Board of Public Works and Safety is hereby authorized to promulgated a schedule of fines for violations for the above-mentioned unlawful activities. Any such regulation shall also include a provision for a notice and hearing before the Board of Public Works and Safety in those cases where the levy of a fine is disputed; by the license holder.

(c) Nothing contained in this Article shall prevent any taxicab driver or person in the business of operating a taxicab from charging an additional fee or surcharge from that measured by the taximeter for providing service during certain hours or to certain locations, provided:

(1) The passenger is advised of the additional fee or surcharge at the time the passenger requests the dispatch of the taxicab; and

(2) The taxicab driver verbally advises the passenger of the additional fee or surcharge before the initial flat drop; and

(3) The additional fee or surcharge is posted pursuant to the provisions of this Chapter and the rules and regulations promulgated by the Board of Public Works and Safety.

SEC. 28-22. GROUNDS FOR LICENSE REVOCATION, SUSPENSION OR IMPOSITION OF FINE

A taxicab driver's license may be revoked or suspended or the licensee may be subject to a fine by the Board of Public Works and Safety on any of the following grounds:

(a) Violation of Section 28-21; or

(b) If, since the issuance of the license, grounds for license denial pursuant to Section 28-20 have occurred, or the applicant has been found by the Board of Public Works and Safety to have knowingly made a false statement of fact required to be revealed in the permit application; or

(c) Transfer or sale of the license to an individual other than the person specified on the license application.

SEC. 28-23. PROCEDURE FOR LICENSE DENIAL, REVOCATION, SUSPENSION OR IMPOSITION OF FINE

(a) The Director may refuse to issue, revoke or suspend a taxicab driver's license or levy a fine against the licensee only after a hearing granted, upon ten (10) days written notice to the licensee. Such notice shall specify the specific grounds for the proposed action. At the hearing, to be held by the Board of Public Works and Safety, the licensee shall be given the opportunity to present witnesses and documentary evidence, to be represented by counsel, and to examine all witnesses presented. The Chairman of the Board of Public Works and Safety shall mail or otherwise furnish to the licensee a written decision, stating the grounds for the decision.

(b) If the licensee is dissatisfied with the decision of the Chairman of the Board of Public Works and Safety in ordering the denial, revocation or suspension of the license, such person may appeal in the manner provided in Section 28-4.

SEC. 28-24. DISPLAY OF LICENSE

The driver of every taxicab shall have her license visibly displayed in such vehicle at all times and shall produce it upon demand of any passenger or Taxicab Inspector.

SECTION 2. That this Ordinance shall be in full force and effect on the 1st day of January, 1986, and thereafter providing it is first passed by the Common Council and receives all necessary approval by the Mayor.

_____
Councilmember

Approved as to form and legality

_____
Stanley A. Levine, Council Attorney

Chapter 28

TAXICABS*

Article I. In General

§ 28-1. Definitions.
§ 28-2. Compliance with chapter required.
§ 28-3. Controller—To keep list of vehicles, etc.
§ 28-4. Same—To assign numbers to vehicles.
§ 28-5. Financial statements to be filed with controller.
§ 28-6. Vehicles—To be owned by and operated in name of permit holder.
§ 28-7. Same—Identification.
§ 28-8. Same—State chauffeur's license required for drivers.
§ 28-9. Same—Door requirements.
§ 28-10. Soliciting passengers, cruising, etc.
§ 28-11. Carrying more than one person or group.
§ 28-12. Record of trips.
§ 28-13. Bus, taxicab and hackney stands—Establishment.
§ 28-14. Same—Use by other vehicles.
§ 28-15. Same—Taxicabs to park only in designated places.
§ 28-16. Call boxes and telephones.
§ 28-17. Adequate service and facilities required.
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Article II. Permits

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*Cross references—Business regulations generally, ch. 7; filling stations and car washes, ch. 10; motor vehicles and traffic, ch. 17; streets, sidewalks and public places, ch. 25.

State law references—Authority of city to regulate and license person holding out for public hire the use of vehicles, IC 1971, § 18-1-1.5-13; prohibition against city requiring franchise, certificate or permit to operate common or contract carrier operating under jurisdiction of state public service commission, IC 1971, § 18-1-1.5-19.

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ARTICLE I. IN GENERAL

Sec. 28-1. Definitions.

For the purposes of this chapter the following words and phrases shall have the meanings respectively ascribed to them by this section:

Permit. Permit shall mean a permit for the operation of taxicabs in the city issued upon the approval and by the orders of the board of public safety of the city.

Taxicab. A taxicab means a motor vehicle while being used for the performance of a contract for the transportation of passengers or groups of passengers for hire, to and from points chosen or designated by the passengers or groups of passengers, and running over any available route between such points, but not at the time being operated over or along a definite, advertised, announced or substantially fixed route, from, to or between definite or substantially fixed terminals, locations or districts or according to substantially fixed or announced times or intervals of arrival or departure. (Code 1946, ch. 29, § 1)

Sec. 28-2. Compliance with chapter required.

It shall be unlawful for any person to operate or cause to be operated any taxicab in any public street, court, highway or public place in the city without first applying for and obtaining a permit therefor from the board of public safety, without first filing with the clerk of the board of public safety a bond, undertaking or contract or liability insurance in some responsible insurance company authorized to do business in the state, the form of which insurance contract has been approved by the insurance department of the state, and containing

the approval thereof, and without first paying the fees prescribed and obtaining license plates, all as is hereinafter more specifically provided in this chapter, nor shall any such taxicab be operated except at the fares prescribed by this chapter. No permit shall be granted except as provided in this chapter. (Code 1946, ch. 29, § 2)

Sec. 28-3. Controller—To keep list of vehicles, etc.

The city controller shall at all times keep on file in his office a list of the motor vehicles operated by the holder of any permit as shown by the list filed at the time such permit was issued, and any change therein noted by such controller, which list shall show the name of the maker, the serial number, and seating capacity of each motor vehicle, and the number assigned thereto on the plate issued for such motor vehicle. (Code 1946, ch. 29, § 12)

Sec. 28-4. Same—To assign numbers to vehicles.

Whenever under the provisions of this article the holder of a permit or an applicant therefor shall be required to file a list of the motor vehicles desired to be operated as taxicabs in the city, the controller shall assign a serial body number to each motor vehicle described in such list as originally filed or amended, and place such number opposite the description of such motor vehicle in such list. (Code 1946, ch. 29, § 13)

Sec. 28-5. Financial statements to be filed with controller.

All taxicab companies operating in the city shall annually, on the first day of January of each year, file a full and complete financial statement, properly certified to by a certi-

fied public accountant, with the controller of the city. (Code 1946, ch. 29, § 15; Ord. No. S-31-79, § 2, 2-27-79)

Sec. 28-6. Vehicles—To be owned by and operated in name of permit holder.

No motor vehicle shall be operated as a taxicab in the city by any person unless such motor vehicle is owned by the holder of the permit under which it is operated. No motor vehicle shall be operated as a taxicab in the city under the name, style or designation, or from the place of business of any person other than the owner of such motor vehicle. (Code 1946, ch. 29, § 16)

Sec. 28-7. Same—Identification.

Every taxicab operated in the city shall have the word "taxi," the name of the holder of the permit under which such taxicab is operated, and the serial body number assigned thereto by the controller in the list on file in the office of the controller, painted in letters and numbers at least six (6) inches in height on each side of such taxicab and on the rear thereof, and such letters and numbers shall be painted a different color from the color of the cab. (Code 1946, ch. 29, § 17)

Sec. 28-8. Same—State chauffeur's license required for drivers.

No taxicab shall be driven or operated in the city by any person who has not been licensed as a chauffeur by the state in the manner provided by law. (Code 1946, ch. 29, § 22)

State law reference—Application for public passenger chauffeur's, etc., license, IC 1971, § 9-1-4-32.

Sec. 28-9. Same—Door requirements.

All taxicabs for the operation of which shall be granted by this chapter shall be equipped with two (2) doors on each side. (Code 1946, ch. 29, § 8)

Sec. 28-10. Soliciting passengers, cruising, etc.

(a) No operator of any taxicab shall seek employment by repeatedly and persistently driving his taxicab to and fro in a short space before or by otherwise interfering with the proper and orderly access to and egress from any theater, hall, hotel, public resort, railway or other public place of gathering or in any other manner obstructing or impeding traffic; but any taxicab may solicit employment by driving through any public street or place without stops other than those due to obstruction of traffic and at such speed as not to interfere with or impede traffic and may pass and repass before any theater, hall, hotel, public resort, railway or other place of public gathering, provided, that after passing such public place he shall not turn and repass until he shall have gone a distance of two (2) square blocks beyond such place. No operator of any taxicab shall ask or request persons to take passage in such taxicab when such persons are waiting to take passsage on a streetcar at an established loading point.

(b) It shall further be unlawful for any person to solicit passengers for a public taxicab upon the streets and public places in the city. The operator or driver of any taxicab or automobile kept for hire shall remain on the driver's seat or inside of his vehicle at all times when such vehicle is standing in an authorized taxicab stand or when actually engaged in carrying passengers; provided, that nothing in this section shall be held to prohibit such driver or operator from alighting to the street or sidewalk for the purpose of assisting passengers into or out of such vehicle. (Code 1946, ch. 29, § 23)

Sec. 28-11. Carrying more than one person or group.

Except as provided in section 28-32, it shall be unlawful for taxicabs to carry more than [one] passenger or more than one group of passengers; provided, that a second passenger or group of passengers shall not be picked up or admitted to a taxicab without the consent of the first passenger or group of passengers engaging such taxicab, except when said taxicab is rendering share ride service as provided in section

28-32 of this chapter. (Code 1946, ch. 29, § 19; Ord. No. S-31-79, § 3, 2-27-79)

Sec. 28-12. Record of trips.

Every holder of a permit for the operation of taxicabs in the city shall keep an accurate record of all trips made by all of the taxicabs operated under such permit. which record shall be made by the operator and driver of the taxicab and shall show the points of

origin and destination of all trips made and the number of passengers carried and the time the trip began and the trip was completed. Such records shall be open to inspection by the board of public safety or any of its duly authorized representatives; provided, that it shall not be necessary to preserve the record of any trip for more than sixty days after the date such trip was made. (Code 1946, ch. 29, § 24.)

Sec. 28-13. Bus, taxicab and hackney stands—Establishment.

The board of public safety, upon recommendation first of the chief of police or the traffic captain, shall establish bus stops, taxicab stands and hackney stands on such public streets in such places and in such number as they shall determine to be of greatest benefit and convenience to the public, and every bus stop, taxicab stand or hackney stand shall be designated by appropriate signs. (Code 1946, ch. 29, § 25.)

Sec. 28-14. Same—Use by other vehicles.

It shall be unlawful for the driver of any vehicle other than a bus to stand or park in an officially designated bus stop, or for any vehicle other than a taxicab to stand or park in an officially designated taxicab stand, or for any vehicle other than a hackney to stand or park in an officially designated hackney stand; except, that the driver of any passenger vehicle may temporarily stop in any such stop or stand for the purpose of and while actually engaged in the loading or unloading of passengers. (Code 1946, ch. 29, § 26.)

Sec. 28-15. Same—Taxicabs to park only in designated places.

It shall be unlawful for the driver of any taxicab to stand or park such taxicab upon any street, court, highway or public place in the city other than at a taxicab stand; except, that this provision shall not prevent the driver of any such taxicab from temporarily stopping in accordance with other stopping or parking regulations at any place for the purpose of and while actually engaged in loading or unloading passengers. (Code 1946, ch. 29, § 27.)

Sec. 28-16. Call boxes and telephones.

It shall be unlawful for any person to install, use or occupy a portion or part of any street or public place in the city as a call box or for telephone purposes, or to use any telephone pole, light pole or any other pole on any street or public place or building or structure, for the purpose of attaching thereto a telephone or call box for the purpose of telephonic communication, or use any such telephone or call box for the purpose of telephoning, unless a permit is granted by the board of public works, and only upon the consent of the owners of real estate within a radius of seventy-five feet from such call box or telephone. Such permit may be revoked at any time by the giving of ten days' notice by the board of public works. This provision shall not apply to police call or fire alarm boxes; provided, that to continue any such phone or call boxes now installed, it shall not be necessary to obtain the consent of the owners of real estate as herein provided, but such phones must be removed within ten days upon the giving of any notice by the board of public works of the city.

Sec. 28-17. Adequate service and facilities required.

(a) Any person authorized to operate taxicabs in the city shall keep said taxicabs clean, properly ventilated and heated, provided with comfortable seats, in good repair, and painted and decorated so as to present an attractive appearance, both on the outside and inside of such taxicab.

(b) Any person authorized to operate taxicabs in the city shall furnish reasonably adequate service and facilities. It shall be unlawful for any person authorized to operate taxicabs in the city to refuse to respond to calls by patrons, unless the patron is immediately notified that taxicabs are not available to render the service required by the patron. In the event a call is accepted to serve a patron and it is subsequently determined that taxicabs are not available to serve the patron, the person operating such taxicab shall immediately inform the patron that the service cannot be rendered, in order to permit the patron to make other arrangements for transportation service. (Code 1946, ch. 29, § 29.)

Sec. 28-18. Appeals from orders made by board of public safety.

Any person adversely affected by any order made by the board of public safety of the city under the provisions of this chapter may, within twenty days after such order is entered, commence an action in the circuit or either of the superior courts of the county against the board of public safety to vacate or set aside any such order on the ground that such order is insufficient, unreasonable, unlawful or procured by fraud or other unlawful methods. Summons shall issue upon the complaint filed in such action and be served the board of public safety in the manner now provided by law in civil actions, and the procedure in the trial of such cause shall be the same as in the trial of civil actions. An appeal from the judgment of the circuit or either of the superior courts in any such cause may be taken to the supreme or appellate court of the state in the manner now provided for appeals in civil actions. (Code 1946, ch. 29, § 30.)

ARTICLE II. PERMITS.

Sec. 28-19. Application—Contents.

Any person desiring to use, operate or drive any motor vehicle as a taxicab in or upon any public street, highway or public place within the corporate limits of the city shall file an application for a permit with the clerk of the board of public safety and the clerk of the board of public works jointly, of the city, upon a form which such boards shall provide without charge to all applicants. Such application shall be verified under oath and shall furnish the following information:

(a) The name of the applicant.

(b) The place of business of the applicant.

(c) The residence of the applicant, if in the city, the length of time of such residence.

(d) The age of the applicant, if an individual.

(e) The length of time the applicant has been previously engaged in the business of transporting passengers for hire and in what capacity.

(f) The number of taxicabs which the applicant desires to operate or drive and the physical condition of each taxicab.

(g) Whether the applicant is capable of providing and intends to provide full twenty-four hour taxicab service in each day of each week in the operation of the business of transporting passengers for hire.

(h) The type and amount of radio communication equipment which the applicant owns and will use in the business of transporting passengers for hire. The license held by the applicant authorizing the transmission of voice communication by two-way radio.

(i) The type and amount of telephone communication equipment which the applicant will use in the business of transporting passengers for hire.

(j) The financial status of the applicant including the amounts of all unpaid judgments against the applicant, and the nature of the transactions or actions giving rise to such judgments.

(k) Any criminal convictions sustained by the applicant including traffic violations.

(l) Any and all facts and statistics which will prove that the public convenience and necessity require the granting of a permit.

(m) Such other information as the board of public safety may require. (Code 1946, ch. 29, § 3; Ord. 2717, § 1; Ord. S-32-64, § 1.)

Sec. 28-20. Same—Bond; information.

With the application provided for in section 28-19, the applicant shall file in triplicate a list of the motor vehicles intended to be operated as taxicabs, together with the bond or contract of insurance or guaranty bond provided for in section 28-21. Such list shall contain the make, motor number, state license number and seating capacity of each motor vehicle to be operated by the applicant. (Code 1946, ch. 29, § 4.)

Sec. 28-21. Insurance or guaranty bond required.

(a) *Prerequisite to permit.* No permit to operate a taxicab in the city shall be issued until after the applicant therefor shall have filed with the controller of the city a contract of insurance or guaranty bond.

(b) *Issuance.* Such contract of insurance or guaranty bond shall be issued by a reliable insurance company admitted to do business in the state, with not less than one million dollars ($1,000,000.00) assets, and such contract of insurance or guaranty bond shall be a five hundred thousand dollar ($500,000.00) public liability policy for protection of bodily injury, and a contract of insurance or guaranty bond of twenty-five thousand dollars ($25,000.00) for property damage, such policies to be the standard form of nondeductible; provided, except that if an applicant is qualified as a self-insured by the State of Indiana, such contract of insurance or guaranty bond may be a one hundred thousand dollar ($100,000.00) public liability policy for protection of bodily injury, and a contract of insurance or guaranty bond of twenty-five thousand dollars ($25,000.00) for property damage, such policies to be the standard form of nondeductible.

(c) *Provisions generally.* Such contracts of insurance or guaranty bond shall provide that they and the qualified self insurer covenant that they will pay for any and all damages imposed by law upon such applicant, or any other person operating any motor vehicle as a taxicab under such permit, or by virtue of the provisions thereof, provided such damages result from bodily injury, including death, and damage to property sustained by any person during the period covered by such contract of insurance, guaranty bond, and self insurance, by reason of the ownership, maintenance, operation or use under such permit, or by virtue of the provision thereof, of any motor vehicle as a taxicab by any person whomsoever, regardless of the ownership of such motor vehicle. Such contract of insurance or guaranty bond shall contain the further provisions that the obligations and promises contained therein shall not be affected by any act or omission of the named assured, its agents, employees, bailees or licensees, or any other person operating any motor vehicle as a taxicab under such permit, or by virtue of the provisions thereof on account of a default in the payment of the premium on such contract of insurance or guaranty bond, or giving of any notice required by the provisions thereof or otherwise, or by the insolvency of the assured named therein.

(d) *Cancellation.* It shall further be provided in such contract of insurance or guaranty bond that no cancellation thereof shall become effective for any reason until five (5) days after the written notice of such cancellation shall have been filed with the controller of the city.

(e) *Effective date.* The contract of insurance or guaranty bond required by the provisions of this section shall provide that the same shall be in full force and effect from and after the issuance of a permit to the applicant and no permit shall be issued to any applicant therefor unless the contract of insurance or guaranty bond hereinabove required shall have been filed with the controller of the city.

(f) *Liability when operator under influence.* No such contract of insurance or guaranty bond shall contain any provision that liability shall not exist for claims or loss or damage, arising while such taxicab is being operated from one place to another by any person under the influence of liquor.

(g) *Surety bond.* If any of the insurance policies or the guaranty bonds carry a deductible clause, a surety bond in the total sum of all deductible amounts must be furnished by the licensee, the same to be approved by the city attorney and secured by the licensee's depositing with the city controller, which the controller shall safely keep; or be secured by an undertaking of a duly qualified surety, bonding or guaranty company authorized to transact business as such in the state, and with not less than one million dollars ($1,000,000.00) assets; provided, however, that any interest earned by such cash surety deposit or government bonds shall be paid to the licensee making such deposit and in the event of the election of any licensee to make such surety deposit of cash or United States securities as herein provided, the principal amount thereof shall at all times be maintained in the sum required; provided, further, that such surety bond or bonds shall hold and bind the principal and sureties to the same conditions as are required in the policies of insurance or guaranty bond as provided for in this section. (Code 1946, ch. 29, § 9; Ord. 2399; Ord. G-25, § 1; Ord. No. S-31-79, § 4, 2-27-79)

Sec. 28-22. Public hearing; issuance; permit and license fees.

(a) *Public hearing.* The board of public safety and the board of public works jointly, after the approval by them of the bond or contract of insurance filed with them by such applicant, shall fix a time and place for a public hearing on such application. Not less than ten (10) days notice of such hearing shall be given by the applicant and to all persons to whom permits to operate taxicabs in the city have been theretofore issued. Due notice shall also be given the general public by posting a notice of such hearing in the City Hall. Any interested person may file with the board of safety and the board of public works jointly a memorandum in support of or in opposition to the issuance of a permit.

(b) *Joint determinations.* In determining whether a permit shall be issued, the board of safety and the board of public works jointly must find the following:

(1) That the applicant owns and intends to operate a minimum of five taxicabs in such business, using vehicles physically adequate for such purpose.

(2) That the applicant intends to provide taxicab service to the public on a twenty-four hour basis for each day of the week.

(3) That the applicant owns and intends to use a two-way radio communication system in each taxicab in the operation of such business.

(4) That the applicant intends to use a telephone switchboard system in the operation of the business.

(5) That the applicant is financially capable of conducting the business of transporting passengers for hire to the extent indicated by such application.

(6) That the applicant has no criminal record deemed by the board to make him unfit to conduct the business of transporting passengers for hire.

(7) That the public convenience and necessity requires the licensing of taxicabs in addition to those currently licensed for use.

(8) That the applicant will fulfill all the other requirements of this chapter.

(c) *Determination by board of safety.* In determining whether a permit shall be issued, the board of safety must consider, among other things, the following:

(1) The resulting effect upon the business of the holders of permits and upon the existing agencies of mass transportation;

(2) The effect on traffic congestion and safety of the public streets;

(3) The effect on working conditions and wages or other compensation paid to drivers of taxicabs of existing holders of permits;

(4) Whether persons holding permits for the operation of taxicabs are, under normal conditions, adequately serving the public;

(5) Whether the requirements of public convenience and necessity can be adequately met and complied with only by the issuance of an additional permit or permits.

(d) *Issuance.* If the board of safety and the board of public works jointly shall find from all the facts that the foregoing requirements are met by the applicant, and that the public convenience and necessity may only be served by the authorization of an additional license, the board shall issue a permit authorizing the applicant to operate not more than the number of taxicabs applied for and file with the controller of the city a copy of the list of motor vehicles to be operated as taxicabs by the applicant together with the permit granted and the bond or contract of insurance filed at the time of application.

(e) *Fees.* Such applicant then shall pay to the controller a fee of ten dollars for such permit and a license fee of fifteen dollars for each motor vehicle listed if payment be made before July first of any calendar year, and a license fee of eight dollars for each motor vehicle if payment is made after July first of any calendar year.

(f) *Designation and increase in number of taxicabs.* The permit issued by the board of safety and the board of public works jointly shall designate the number of motor vehicles which the applicant shall be permitted to operate as taxicabs. In the event the applicant shall desire to operate additional taxicabs in the city, an application as provided above shall be filed and the procedure provided in this chapter shall be followed as in the application for original permits. (Code 1946, ch. 29, § 5; Ord. 2717, § 2; Ord. S-32-64, § 1.)

Sec. 28-23. Term.

All permits shall expire on the last day of the calendar year in which issued. (Code 1946, ch. 29, § 6; Ord. 2717, § 2.)

Sec. 28-24. Renewal.

Renewal permits shall be applied for and issued in the same manner and upon the same basis as original permits and for each renewal permit a fee of ten dollars shall be charged and paid to the controller of the city and for each renewal license a fee of fifteen dollars for each motor vehicle listed shall be charged and

paid to the controller of the city; provided, that such renewal permits shall be issued by the board of safety without the hearing provided in section 28-22; provided, that in the event such board shall find from all the information available to it, upon the filing of an application for such renewal permit that the applicant fails to comply with the requirements of section 28-22 such board shall conduct a public hearing thereon in accordance with the provisions of section 28-22, and shall issue no renewal permit unless it finds from the facts then presented that the applicant fulfills the requirements of section 28-22. (Code 1946, ch. 29, § 7; Ord. 2717, § 3.)

Sec. 28-25. Number plates.

After the issuance of a permit, the controller shall deliver to the applicant a metal number plate for each motor vehicle listed in the schedule filed with the controller, on which such plate shall be printed or stamped the words Car No....., 19...., Fort Wayne, Indiana, which plate shall, at all times when such motor vehicle is being operated or used upon any public street, highway or other public place in the city as a taxicab, be conspicuously displayed on the rear thereof. In the event the holder of any permit desires to transfer any such plate from the motor vehicle for which it was issued, and use the same on another motor vehicle, he shall immediately notify the controller and furnish him with the name of the maker, the serial number and the seating capacity of such motor vehicle to which such plate is to be transferred. (Code 1946, ch. 29, § 10.)

Sec. 28-26. Transfer; surrender of permits and plates upon death, etc.

No permit issued under the provisions of this article shall be transferable. In the event of the death of the holder of any permit, or in case of a corporation, of the dissolution thereof, or in the event a receiver or trustee in bankruptcy is appointed for the holder of any permit issued under the provisions of this article, such permit shall be null and void, and shall be immediately surrendered to the board of public safety of the city, whereupon the plates issued to

the holder of such permit certificate shall be immediately surrendered to the controller. (Code 1946, ch. 29, § 11.)

Sec. 28-27. Records to be kept by board of public safety; revocation.

The board of public safety shall keep on file in its office, open to the inspection of the public, an indexed record of all orders made and entered under and pursuant to the provisions of this chapter. For the violation of any of the provisions of this chapter or any ordinance of the city regulating the operation and use of taxicabs in the city and any regulation issued by the board of public safety pursuant to the authority conferred upon such board by virtue of the provisions of this chapter, or for any other sufficient cause, the board of public safety of the city may, upon the application therefor filed by any person, or upon the motion of such board or any member thereof, revoke any permit issued under the provisions of this chapter. Upon the filing of any such application or motion, the clerk of the board of public safety of the city shall cause the same to be docketed for hearing before the board of public safety and shall serve a copy of such application or motion on the holder of such permit together with a notice of the date set for hearing thereon, at least five days prior to the date of the hearing. (Code 1946, ch. 29, § 14.)

Sec. 28-28. Holders to keep list of drivers; employing drivers convicted of felony.

Every holder of a permit to operate taxicabs issued as provided in this article shall maintain on file in his own offices the name, photograph, fingerprints, current address and the chauffeur's license number of each of his drivers and the name and addresses of the next kin of such driver who should be notified in case of emergency. Such driver records and information shall be open for inspection to the police department of the city at all times and must be kept current. Every holder of a permit to operate taxicabs is prohibited to employ any person as a driver of taxicabs who has been convicted of a felony. (Code 1946, ch. 29, § 21; Ord. S-32-64, § 1.)

ARTICLE III. FARES AND TAXIMETERS

Sec. 28-29. "Taximeter" defined.

The word taximeter, as used in this article, shall mean a mechanical device which records and indicates a charge of fare measured by the distance travelled, waiting time, if any, and extra passengers, if any. (Code 1946, ch. 29, § 18; Ord. 2716, § 1; Ord. G-1, § 1; Ord. G-20, § 1; Ord. S-416-66, § 1)

Sec. 28-30. Generally.

(a) *Installation; inspection; tampering with meter.* Within six (6) months after November 24, 1953 every taxicab shall be equipped with a taximeter of a make, construction and operation satisfactory to the board of public safety, which shall have lighted, in plain view to passengers a dial whereon shall be registered the fare for each trip in accordance with the rates established herein. All taximeters on taxicabs shall be inspected for accuracy once each six (6) months by the inspector of weights and measures of the city, or his deputy and any taximeter concerning which a complaint is made shall be forthwith reinspected by the inspector of weights and measures of the city, or his deputy. If any meter is found to be inaccurate the taxicab to which it is attached shall not be operated until such meter is properly approved and adjusted on reinspection. When any inspection shows that a taximeter accurately records the proper fare it shall be sealed under the direction of the inspector of weights and measures of the city, or his deputy, and a written certificate of inspection issued to the owner of any such taxicab. It shall be unlawful for any person to tamper with, break or mutilate any taximeter or the seal thereof with the purpose of causing such taximeter to register any fare incorrectly, or for any other purpose whatsoever. It shall be unlawful for any person to operate any taxicab without an operating taximeter in compliance herewith.

(b) *Charging of fares by taximeter rate.* The following fares shall be charged for the carrying of passengers by taxicabs:

(1) From one to and including four (4) passengers, for the first one-tenth mile or fraction thereof, the fare shall be eighty cents ($0.80);

(2) For each additional one-fifth mile or fraction thereof, the fare shall be an additional twenty cents ($0.20);

(3) An additional charge of fifty cents ($0.50) shall be made for transporting over two (2) passengers. No additional charge for passengers twelve (12) years of age or under;

(4) For each one and a half minutes of waiting time or fraction thereof, the fare shall be an additional twenty cents ($0.20) or seven dollars and fifty cents ($7.50) per hour.

(c) *Hourly rates.* Any person engaging a metered taxicab shall have the option at the time of engaging such taxicab of electing payment by the taximeter rate or by the hourly rate set out above. If a person engages a taxicab at the hourly rate the meter need not be used and the hourly rate shall not exceed the following schedule:

(1) Three dollars ($3.00) for the first hour, or fraction thereof.

(2) Seventy-five cents ($0.75) for each fifteen (15) minutes or fraction thereof, after the first hour.

(d) *Flag or indicator.* When a taxicab is in service, other than when hired at the foregoing hourly rate, a flag or indicator on the taximeter shall be lowered and the taximeter shall be set in operation at the time the passenger enters the taxicab and shall be stopped and such flag raised when the taxicab is halted to discharge such passenger.

(e) *Waiting time.* Waiting time shall include the time beginning three (3) minutes after arrival at the place to which the taxicab has been called and while it is not in motion, the time consumed by unavoidable delays in traffic or elsewhere, and the time consumed while standing at the direction of the passenger. The customer shall not be charged for any inefficiency of the driver of the taxicab or for a premature arrival at an appointed time.

(f) *Two or more fares.* Whenever two (2) or more fares going to different destinations engage the same taxicab, the first fare shall pay the amount indicated on the taximeter at his destination and the taximeter shall be cleared before leaving such destination point. The second fare shall pay the amount indicated on the taximeter from the first destination to his destination. Each additional fare shall in turn pay only the amount shown on the taximeter from the destination point to which he is traveling.

(g) *Correct collection and payment.* It shall be unlawful for any operator or driver of any taxicab to demand or collect a charge for taxicab service exceeding those hereinabove established. It shall be unlawful for a passenger or person, engaging a taxicab, to refuse to pay any fare registered on a taxicab meter in accordance with the above rates. (Code 1946, Ch. 29, § 18; Ord. S-409-70, § 1; Ord. S-66-73, § 1; Ord. S-168-74, § 1; Ord. No. S-260-77, § 1, 12-13-77; Ord. No. S-31-79, § 1, 2-27-79; Ord. No. S-101-81, § 1, 4-28-81; Ord. No. S-134-81, § 1, 6-9-81)

Sec. 28-30.1. Surcharge.

(a) In addition to the fares established by taximeters pursuant to section 28-30(b), there may be assigned for each trip made by a taxicab in carrying passengers for hire a surcharge of twenty cents ($0.20) per trip for any trip made by a taxicab transporting passengers for hire.

(b) In the event of a further price increase, there may be an additional surcharge of five cents ($0.05) for every ten cents ($0.10) per gallon of gasoline price increase. In the event of a gasoline price decrease, there shall be a decrease of five cents ($0.05) in taxicab fares for every ten cents ($0.10) per gallon of gasoline price decrease.

(c) Before any surcharge increase or decrease shall be authorized for any taxicab company operating in the City of Fort Wayne, Indiana, there shall be presented for study to the controller of the City of Fort Wayne for his recommendation to the common council of the City of Fort Wayne sufficient financial data in such form and content required by the common council so that proper study thereof may be made.

(d) No such additional surcharge or increase shall be authorized except by approval by the common council of the City of Fort Wayne, Indiana, by ordinance duly enacted and approved by the mayor of the City of Fort Wayne, Indiana. (Ord. No. S-12-80, §§ 1—4, 2-12-80; Ord. No. S-134-81, § 1, 6-9-81)

Editor's note—At the discretion of the editor, nonamendatory ordinance S-12-80, §§ 1—4, enacted Feb. 12, 1980, has been codified as § 28-30.1.

Sec. 28-31. Posting schedule of fares.

Each taxicab shall have posted in a manner approved by the chief of police and in a conspicuous place in letters of legible size a schedule of the fares not exceeding those provided by section 28-30. (Code 1946, Ch. 29, § 20; Ord. No. S-134-81, § 1, 6-9-81)

Sec. 28-32. Shared ride taxi service; fare table.

(a) There is hereby created a shared ride taxicab service on a delayed basis. To be eligible for such shared ride taxicab service, any person or persons desiring same shall make a reservation or reservations therefor at least ninety (90) minutes in advance of such shared ride service by phoning in to the office of the dispatcher of the taxicab company, the order for such shared ride service.

(b) Charges for such shared ride taxicab service are computed on a zone basis. A charge is made from the zone in which the point of origin of the trip occurs by the most direct route to the zone in which the point of destination of the trip is located. A pickup charge is assigned to all zones. The trip charge per passenger is the pick up charge, plus the zone travel charge. Zone travel charges and pick up charges are approved by the common council of the City of Fort Wayne, Indiana, and are described by the geographical zone map as set forth in section 28-32(c) hereof. The total fare per person is computed on the Matrix fare table and directions for use thereof are set forth in section 28-32(d) hereof. Said geographical map and Matrix fare table and directions for use thereof must also be posted in a conspicuous place in each taxicab.

(c) Geographic map (see separate sheet marked "exhibit A," not set out herein but on file and available for public inspection in the office of the city clerk).

(d) Directions for using fare table (see separate sheet marked "exhibit B," not set out herein, but on file and available for public inspection in the office of the city clerk). (Ord. No. S-31-79, § 5, 2-27-79)

AGENDA ITEM NO. 24

City of Berkeley

CITY MANAGER'S OFFICE
2180 MILVIA STREET
BERKELEY, CALIFORNIA 94704

(415) 644-6580

FOR COUNCIL INFORMATION

April 14, 1981

PRESENTED TO COUNCIL
CITY OF BERKELEY
APR 14 1981
OFFICE OF
CITY CLERK

To: Honorable Mayor and
Members of the City Council

From: Wise E. Allen, City Manager

Subject: EVALUATION OF TAXI ORDINANCE REVISIONS

The City of Berkeley's taxicab ordinance revisions, Ordinance No. 5296-N.S. went into effect on October 9, 1980. The ordinance revisions 1) established a modified open-entry taxicab system and removed the prohibition against rental cab companies; 2) created three types of service exclusive ride, shared ride and fixed route and the procedural guidelines for each. Each service has its own fare structure which includes an open meter rate, flat rate to specific destinations, a pre-determined method for dividing metered fares among passengers in shared ride service and a per capita rate for fixed route service; and 3) increased the filing and the taxicab stand fee.

Description of Taxicab Service

Prior to the ordinance revision, there were a total of eight taxi companies licensed to operate in the City of Berkeley with permits for seventy-two (72) taxicabs. The rates were $1.20 per flag drop, $1.20 per mile, 20¢ per minute of wait/delay and 150% of meter rate over 20 miles. Since October 1980, when the revisions became effective, three companies (Bay Area Cab Company, Zina Cab and Spicer Cab), entered the Berkeley market with twelve (12) taxicabs; however, one company (Kwik Cab Company) licensed for one cab, has not renewed its permit for the calendar year 1981. The fare rates have remained the same and no new type of service has been initiated.

IMPACT OF ORDINANCE REVISIONS

As noted earlier, the impact of the revisions in the ordinance was to increase the number of taxicabs licensed to operate in the City. Although there are three new companies, only one, Bay Area Cab, applied for a permit to operate during the last few months of 1980. The other two companies, with permits to operate one taxicab each, applied for their permits in January of 1981. Since the City does not prorate the filing fee, it might be uneconomical for taxi

companies to file for only one or two months of the calendar year. The two companies that filed in January stated their intention to service Golden Gate Fields during the racing season.

The flexibility of service permitted by the revised ordinance has not been utilized. The taxi companies generally provide exclusive ride service with an occasioned shared ride trip. Some companies have expressed interest in providing shared ride service, however, there is no incentive for the companies to begin to do so. Two of the companies recommended that some form of monetary incentive based on the number of shared rides should be provided by the City. A few cities around the country, in fact, are providing this type of incentive in their subsidized taxi programs. For the City's subsidized taxi program, increasing the number of shared rides is crucial to producing more cost-effective service. The Transportation Programs Manager is discussing with the University the possibility of a graduate student doing research on shared ride systems and their applicability for the City of Berkeley.

In discussing the fixed route service, the companies cited their lack of planning and capital resources, and the lack of City monetary incentives as reasons for not implementing this service. The monetary incentives for the fixed route/jitney type service will be available through the SB620 Discretionary funding which the City is expected to receive sometime May, 1981. A major portion of these funds is designated for the lease of vehicles to be operated by private operators.

The open fare structure basically has had no impact on the actual fares. The main reason for this is the fare structure of the City of Oakland's Taxicab Ordinance. The rates for the City of Oakland are established at $1.20 per flag drop, $1.20 per mile and $.20 for each one minute of waiting time. This is the same rate each of the taxi companies filed with the City of Berkeley. There are various reasons for this. Except for Arrow Cab, Spicer Cab and Taxi Unlimited, other taxi companies also have licenses to operate in the City of Oakland. On the average, 30% of their business is from Berkeley while 70% is from Oakland. As a result, the meters are set for the Oakland rate.

Additionally, many trips are between the two cities, making it impractical to change rates when passing through the cities' limits. The meters in many of the cabs cannot handle more than one rate which means they would have to be replaced. A meter which can be set set for more than one rate costs approximately $700, which is considered too great an investment for most of the companies, especially the smaller ones who are barely surviving.

Finally, the existing ordinance does not address the quality of service the taxicab driver is to provide. This is presently under study by the Legal and Comprehensive Planning Departments. A report should be forthcoming in approximately two months.

CHARLOTTE

May 28, 1985

Ms. Kate Love-Jacobson
City Clerk's Office
One Main Street
City-County Building
Fort Wayne, Indiana 46802

Dear Ms. Love-Jacobson:

This is in response to your request about the effectiveness of our taxicab ordinance. Our City Code has recently undergone revision of this section and I believe that all unnecessary material was removed during that process. Perhaps our greatest aid in the enforcement of this ordinance is our creation of a full-time Taxicab Inspector who is a civilian employee of the Charlotte Police Department.

The Taxicab Inspector has office hours from 8:00 a.m. to 10:00 a.m. and 3:00 p.m. to 5:00 p.m. During these hours he issues permits and handles complaints. Between 10:00 a.m. and 3:00 p.m. he conducts field inspections. There is no minimum number of inspections held, and spot checks of individual cabs are frequently made.

The source of most of our violations and problems is the airport where drivers frequently gather in groups. To alleviate these problems one of our Vice officers who routinely works the airport is designated as an agent of the Taxicab Inspector's Office and performs spot checks there. He occasionally uses the drug dog on the cabs.

Every complaint that comes in from the public, airport employees or police officers is thoroughly investigated and disciplinary action is taken when necessary.

Police Department 825 East Fourth Street Charlotte, NC 28202

Monthly reports of inspections, permits issued, complaints investigated, and all other activities are compiled. Copies are forwarded to the inspector's supervisor, the chairman of the Taxicab Review Committee, the Police Attorney's office, and the City Manager. Serious incidents that require immediate action are reported at the time of occurrence and distributed in the same fashion.

I hope this information will be helpful to you. If I can be of any further assistance please do not hesitate to contact me.

Sincerely,

M. M. Vines
Chief of Police

D R Stone

D. R. Stone, Commander
Administrative Division

glh

CHARLOTTE

May 22, 1985

Ms. Kate Love-Jacobson
City Clerk's Office
One Main Street
City-County Building
Fort Wayne, Indiana 46802

Dear Ms. Love-Jacobson:

Attached is a copy of the Taxicab Ordinance for the City of Charlotte, North Carolina as it now appears in the City Code Book for the City of Charlotte.

I am forwarding a copy of your letter to Commander E. R. Stone of the Charlotte Police Department and requesting that he respond to your question on the effectiveness of this ordinance.

I hope this information will be sufficient for your needs.

Sincerely,

Pat Sharkey/km

Pat Sharkey (Mrs.)
City Clerk

Attachment

cc: Commander E. R. Stone
Police Department

Office of the City Clerk 600 East Trade Street Charlotte, NC 28202 704/336-2247

OFFICE OF THE CITY ATTORNEY

JAMES C. SLOANE
CITY ATTORNEY

LARRY WINNER
CHIEF ASSISTANT

EMMETT J. SHEARER
GREG SMITH
ROBERT G. BEAUMIER, JR.
RICHARD C. ROBINSON
MARGUERITE S. SCHELLENTRAGER
BARBARA A. BURNS
PAT J. DALTON
ROCCO N. TREPPIEDI
MIKE NELSON
ASSISTANTS

CITY OF SPOKANE, WASHINGTON · FOUNDED IN 1881 ·

May 15, 1985

Kate Love-Jacobson
Research Assistant
City of Fort Wayne
One Main Street
Fort Wayne, IN 46802

Re: Taxicab Inquiry

Dear Ms. Love-Jacobson:

It is my pleasure to respond to your recent correspondence of May 3, 1985, to Ms. Montgomery, City Clerk.

Our taxicab ordinance includes SMC Chapter 10.34 and, by reference, portions of SMC Ch. 4.04. We do not require any showing of public need. The primary problems within the industry have centered around the dispatch practices, as you may be aware. This particular aspect has not been one of regulatory concern for the City of Spokane, in part because of the difficulty of regulation.

In general, I am not aware of significant problems emerging from the City of Spokane's deregulating the number of taxicab vehicle licenses. The City of Spokane, likewise, has not involved itself in rate regulation, although there are rate disclosure requirements (see SMC 10.34.070). The vehicles are City-inspected, the cost defrayed to some extent by the for-hire vehicle license fee.

Lastly, I direct your attention to our City for-hire driver's license, SMC 10.34.120.

I hope this letter is of assistance.

Very truly yours,

JAMES C. SLOANE
City Attorney

By: R G Beaumier/jb
Robert G. Beaumier, Jr.
Assistant City Attorney

RGB:jb
Encl: SMC Chs. 10.34, 4.04
cc: Marilyn Montgomery

City of
FRESNO

Robert M. Christofferson
City Manager

May 16, 1985

Ms. Kate Love-Jacobson, Research Assistant
City of Fort Wayne
One Main Street
Fort Wayne, Indiana 46802

Dear Ms. Love-Jacobson:

The City Clerk has asked me to respond to your questions regarding the City of Fresno's taxicab regulations. I have been working with the taxicab industry and have been involved with changing regulations since the mid-70's, and am in a good position to comment upon the results of taxicab deregulation.

The City of Fresno deregulated the taxicab industry in 1980, by amending our ordinance to allow free entry into the industry, no restrictions on taxicab rates, and minimum regulations regarding taxicab condition. The result was a disaster. Instead of rates being determined on a competetive basis, many rates skyrocketed and gouging of patrons was rampant. Many single cab operators entered the industry, clogging the Greyhound Bus Depot and the airlines terminal with taxicabs which had no ability to respond to telephone or radio requests for service. The condition of individual taxicabs deteriorated; the quality of taxicabs and taxicab drivers was miserable; and the taxicab industry was at its lowest point ever in the City of Fresno.

About 18 months after deregulation, the City Council saw that deregulation had not worked and directed staff to re-regulate the industry. Even the Chamber of Commerce, generally a strong supporter of free enterprise, agreed that regulations for the taxicab industry were essential. Rate regulation was reestablished; quarterly inspections of vehicles, registration and vehicle identification number checks were established; more rigorous evaluation of drivers and taxicab permitees was instituted; and entry into the industry was limited to those companies having at least three taxicabs, 24-hour operation, and radio dispatching.

As a result of this re-regulation, the taxicab industry improved substantially. We are now in the process of rewriting our regulations to include more vigorous legislation to improve further the taxicab industry in the City of Fresno.

I cannot caution you more strongly regarding deregulation of this industry. We tried it, and it did not work.

If you have any further questions, or wish additional information, please feel free to call me at (209) 488-1566.

Sincerely,

James K. Katen
Deputy City Manager

JKK:mar

City	Drop Charge Amount	Drop Charge Distance	Mileage Charge Amount	Mileage Charge Distance	Trip Fares 3-Mile	Trip Fares 5-Mile
Santa Ana	$1.40	1/6	$.20	1/6	$4.80	$7.20
Grand Rapids	1.00	1/8	.10	1/8	3.30	4.90
Riverside	1.20	1/6	.20	1/6	4.60	7.00
Montgomery	1.35	1/2	.35	1/2	3.10	4.50
Huntington Beach	1.40	1/6	.20	1/6	4.80	7.20
Lubbock	1.20	1/10	.10	1/10	4.10	6.10
Worcester	1.00	1/5	.20	1/5	3.80	5.80
Lincoln	1.25	1/6	.20	1/5	4.25	6.25
Las Vegas	1.40	1/6	.20	1/6	4.80	7.20
Fort Lauderdale	.75	5/24	.25	5/24	3.85	6.35
Arlington	.90	1/10	.10	1/10	3.80	5.80
Boise	1.50	1/12	.10	1/12	5.00	7.40
Pasadena, TX	1.00	1/10	.10	1/10	3.90	5.90
				Average =	$4.16	$6.28
Fort Wayne	$1.80	1/10	.20	1/5	$3.90*	$5.90*

*Includes 20¢ surcharge per trip

TASK FORCE ON TAXICAB SERVICE
MINUTES
ABSTRACT

March 12, 1985
Chamber of Commerce Building

Airport----------pp. 4, 5

Competition----------pp. 3, 4

Demand for services----------pp. 3, 5

Fort Wayne (comparison to similar-
sized cities)----------p. 2

General observations (nationwide)-----p. 1

Market, potential expansion----------p. 3

Open entry----------p. 1

Options----------p. 4

Productivity----------pp. 2, 3

Quality control----------p. 5

Recommendations
- Franchise----------pp. 5, 6, 7
- Limousine service----------p. 5
- Maximum rate with discounts--------pp. 3, 5, 6
- Minimum standards system----------pp. 5, 6
- Obtain more information----------pp. 5, 6, 7
- Options analysis----------p. 7
- "Permit & Certificate" system------p. 5
- Raise standards with enforcement---p. 5

Profit Analysis

Assume:

1. Five-mile trip
2. Cost per vehicle-mile = \$.67

Let p = productivity = $\frac{\text{paid-miles}}{\text{vehicle-miles}}$

If $p = 0.45$:

$$\text{Vehicle-miles} = \frac{5.0}{0.45} = 11.11 \text{ miles}$$

$$\text{Revenue per vehicle-mile} = \frac{\$5.90}{11.11} = \$.53$$

<u>Loss</u> per mile = \$.67 − .53 = \$.14

If $p = .60$:

$$\text{Vehicle-miles} = \frac{5.0}{0.60} = 8.33$$

$$\text{Revenue per vehicle-mile} = \frac{5.90}{8.33} = \$.71$$

<u>Profit</u> per mile = \$.04

Figure 1: TAXICAB ORDINANCE SECTIONS/ARTICLES COMPARISONS

CITIES / TAXICAB ORDINANCE SECTIONS/ARTICLES	Amarillo, TX	Lubbock, TX	Phoenix, AZ	Milwaukee, WI	San Diego, CA	Fresno, CA	Spokane, WA	Indianapolis, IN	Columbus, OH	Lansing, MI	Charlotte, NC	Orlando, FL	Berkley, CA	Oakland, CA	Sacramento, CA	FORT WAYNE, IN
Inspections of vehicles	O	O	O	O	O	O	O	O	O		O	O	O	O	O	O
Taxicab Zones				O											O	
Permit required of vehicle/owner	O	O	O	O	O	O	O	O	O	O	O	O	O	O	O	O
Posting Requirements	O	O	O	O	O	O	O	O	O	O	O	O	O	O	O	O
Radio Dispatch					O							O			O	
Illuminated top lights		O													O	
Rate Schedule (Fixed fares)	O	O	O	O	O	O	O	O	O	O	O	O	O	O	O	O
Liability Insurance	O	O	O	O	O	O		O	O	O	O	O	O	O	O	O
Driver permit	O	O	O	O	O	O	O	O	O	O	O	O	O	O	O	O
Complaints		O						O								
Driver badges/I.D.	O		O	O	O			O	O				O	O		
Business names and color schemes on vehicle	O	O			O		O	O	O		O		O	O		O
Names and numbers on vehicle	O	O	O		O	O		O	O	O			O	O		O
Advertising on vehicle	O	O						O								
Maintenance	O	O			O	O		O			O		O			O
Taximeter and inspection thereof	O	O	O	O	O	O	O	O	O	O	O	O	O	O	O	O
Private contracts/leasing								O								
Restrictions on number of licenses let	O	O		O	O	O	O	O		O		O	O			O
License fees	O		O			O		O	O		O	O	O	O	O	O
Transferability of licenses			O	O			O	O	O		O					O
Taxicab Review Board				O					O		O	O				
Airport Service			O								O	O				
Restrictions on usage of Radios and T.V.s											O					
Surety Bonds		O		O					O			O				O
Call boxes/taxi stands				O					O	O		O	O	O		O
Financial statements to City Admin.							O									O
Parking restrictions			O													O
Number of passengers/shared rides					O			O	O				O			O
Solicitation	O					O		O				O	O	O		O
Placards (off duty/on duty)				O							O					
Driver health certificate	O								O							
State Chauffer's license	O	O								O		O				O
Trip records	O			O	O		O	O	O				O	O		O
Public Convenience and Necessity	O	O		O	O	O	O	O		O		O	O			O
Smoking Prohibited												O				
Senior Citizen Discounts														O		

Calling all cabs

Opinion

from the executive office

In our travels in 1984, we happened upon a peculiar situation in Seattle. Every time we took a cab between the same two points, we were charged a different fare. More than once, the driver even quoted us two different prices for the same ride, one for on the meter, the other a flat rate.

Recognizing the effect this has on travelers, we were determined to establish the reason. We were not surprised to discover that the culprit was deregulation. It seems that the spirit of smaller government has filtered down to city councils and county governing boards. (These are the bodies that license and establish legal taxi fares.)

We examined taxi services in eleven cities — three deregulated, one re-regulated, one with "soft" deregulation, the balance having strict taxi codes. We also interviewed representatives of the International Taxicab Association (ITA), the Department of Transportation (DOT) and Convention and Visitors Bureaus. The picture drawn is confused.

Take San Diego. DOT cited this city's deregulated service as a fine working example of the idea, but the Executive Director of the San Diego Convention & Visitors Bureau is on record describing it as "negative and chaotic," and recommending against deregulation. In fact, the city powers became so concerned about the negative publicity, that they have taken measures to partially re-regulate their taxis.

Pressure from the Chamber of Commerce in Atlanta forced the local government back into total re-regulation, 16 years after they experimented with "open entry" (relaxed standards for obtaining a cab permit). The move, made in 1981, created legal problems for the city, but their right to re-regulate was upheld in the courts.

Washington, D.C. is another city that has experimented with a variation of deregulation. It has established a zone system of fares and has "easy entry." The city promotes this taxi system as being inexpensive — and it can be. Yet, a recent survey conducted by ITA found that 36.3 percent of the drivers overcharged, with the average overcharge running 22 percent.

Dallas has strict fare laws, but allows easy entry. The situation of "too many taxis, not enough fares" which the taxi industry claims deregulation generates), has also happened here. One taxicab operator described the situation as "chaotic."

Travelers in regulated cities (such as Boston, Chicago, Los Angeles, Miami, New York and San Francisco) might ask, "Can there *ever* be too many cabs?" New York, for instance, has a notorious taxi shortage. Critics of deregulation would say yes there can be too many cabs; claiming safety and quality of service suffer with open entry. (It might be pointed out, however, that gypsy cabs and the escalating cost of a taxi license in New York has contributed to the problem.)

Are fares affected? We found little evidence that deregulation provided the best price. Sample costs for an uninterrupted, daytime, two-mile, single passenger ride in our survey cities followed no particular pattern. Prices seemed to be more a product of the cost of living in particular cities than free enterprise.

Even DOT is confused about taxi deregulation. Since 1979, they have been trying to figure out if it is good for cab consumers. Their jury is still out. We're not sure either.

Seattle is sure. The city council is moving to re-regulate the industry there. They've assured us that they are trying to improve their taxi image. The reason? Seattle is a convention town and it appears deregulation hit them in the pocketbook. ○

Sheldon Shane

National Travel Club

OBJECTIVES: To create and promote interest in travel and exploration, to furnish its members information on travel and secure concessions for them; to work for the betterment of transportation facilities; to arouse public interest in the conservation of our natural resources, the preservation of historic sites, the development of our natural parks and playgrounds, and of our waterways, the protection of our forests and our wild animal and bird life; to assist all movements that make travel safe and attractive and to establish closer relationships between all peoples in order to secure lasting peace.

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THE DRIVE IS ON TO DEREGULATE TAXICABS

Help may be on the way for millions of Americans across the country trying in vain to hail a cab during rush hour. The trend toward deregulation, which started five years ago on the West Coast, has just been given a boost from the Federal Trade Commission. The FTC is charging that taxi regulation by Minneapolis and New Orleans amounts to illegal collusion. Although that charge has met resistance in Congress, deregulation seems unstoppable. Kansas City has just taken steps to expand the number of its cabs, and Houston and Chicago are considering opening up entry, joining the list of 24 cities that have begun to deregulate.

For more than 50 years regulations limiting the number of cabs have kept the supply artificially low. Cities have also fixed fares, raising them about in line with inflation but not enough to keep the $3.4 billion industry healthy. Service has declined along with ridership. Gorman Gilbert, a transportation expert at the University of North Carolina, figures ridership fell 25% from 1973 to 1981, as taxis lost out to private autos, rental cars, and even mass transit.

"The industry is in bad shape," says Roger F. Teal of the University of California at Irvine. "The market is being eroded, and the industry has a smaller and smaller patronage base." Many economists argue that deregulation will revitalize it.

'FORMERLY STODGY.' The number of cabs operating in cities that have opened entry has greatly increased. In San Diego, three years after deregulation, taxi permits rose 84%, from 409 to 752. The number of cab companies nearly tripled, and the share of permits held by the largest company fell from 68% to 37%. In Seattle, there were 25% more cabs two years after controls were lifted.

Service also appears to have improved. Studies done for the Transportation Dept. reveal that the percentage of riders who rate the San Diego taxi system favorably went from 75% before deregulation to 82% the year after. In Seattle, where comparative surveys were not available, Transportation found that "overwhelming majorities of both residents and visitors gave positive ratings" to taxi service after deregulation.

Competition is also forcing taxi companies to become more efficient and innovative. "Some formerly very stodgy taxicab companies are doing some exciting things," says Robert W. Poole Jr., president of Reason Foundation, which tracks deregulation. The City of Phoenix contracts with taxi companies to supply public transportation on Sunday, when no buses run. In San Diego, the number of companies providing jitney services—carrying riders on fixed routes—nearly doubled in the three years following deregulation. In Seattle and Phoenix, the radio-equipped fleet cabs virtually abandoned the airports to nonradio cabs, which had flocked to them. Instead, they concentrate on radio calls, making more taxicabs available to city residents.

In Raleigh, N. C., which has had an open taxi industry for years, Raleigh Transportation Services developed a computer system that searches out its 30 cabs to find the one nearest a specific address. President William W. Williams hopes to put a dashboard terminal in each cab. His investment contradicts opponents' claims that investment occurs only if taxis are regulated.

So far, fares have not declined after deregulation. But in part that is because they were kept too low for so long, economists maintain. Many deregulated companies are raising prices to catch up. Yet in real terms—adjusted for inflation—they have fallen. Pat M. Gelb, an analyst with De Leuw, Cather & Co. in San Francisco, says that the average taxi fare in San Diego was 28% higher three years after deregulation. This increase was less than the 39% rise in the consumer price index and the 42% national average rise in fares during that period.

Richard O. Zerbe Jr. of the University of Washington compared taxi price increases in the two-and-a-half years after Seattle's deregulation with the pace of price increases during the previous 12 years. Before deregulation, fares averaged 99% of the national CPI and only 92% afterwards.

Consumer information about fares has been the biggest issue surrounding deregulation. Zerbe found that while airport and cruising cab fares went up 25% and 30%, respectively, fares for radio calls went up only 6%. The radio market, he notes, permits customers to shop around for better prices. But this is not the case at airports: Cab drivers there could often gouge unsuspecting travelers. Airports took on what the University of California's Teal called a "Turkish bazaar atmosphere." The confusion so embarrassed city officials in Seattle and Phoenix that they instituted some controls at the airports. Atlanta, which has had open entry since 1965, put controls back on in 1981 after business leaders worried about the city's image. In 1983 San Diego put a one-year moratorium on new permits.

Such problems have bolstered opposition to deregulation. Taxi owners are among the fiercest opponents. "The cur-

CAB DRIVERS COULD BE FIGHTING FOR RIDERS IF CITIES CONTINUE TO LIFT CONTROLS

rent cabs would be devastated," says Joseph M. Chernow, president of Yellow Cab Co. in Houston. In March, several hundred San Francisco cab drivers circled City Hall, blasting their horns, trying to dissuade Mayor Dianne Feinstein from increasing the city's 711 cab permits to 1,000 by 1986. So far only 50 permits have been added.

GYPSIES AND BANDITS. Supporters of deregulation admit that problems may be inevitable at first. "People arrived off the plane with no earthly idea that the city had deregulated," says Otto A. Davis, an economist at Carnegie-Mellon University. "Given our tradition of fixed fares, there's no reason to expect deregulation to have worked out." But better publicity and better design of airport taxi lines could correct the problem, proponents contend.

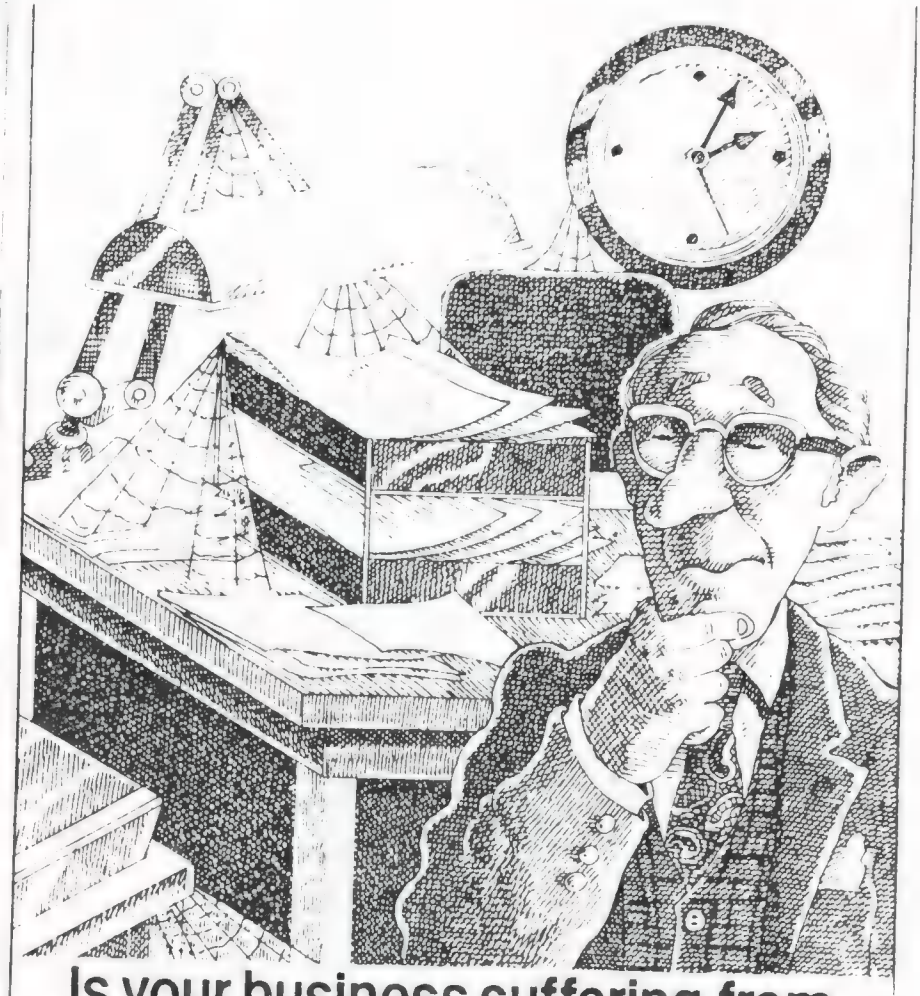
Some even approve of partial regulation. Says economist John R. Meyer of Harvard: "It would be hard to argue that opening up entry is not helpful to the consumer. But perhaps you need minor controls to correct the information problems."

Kansas City just joined 24 cities in relaxing taxi controls, and Houston may follow

What is not needed, they argue, is the suffocating regulation of the past. That has led to high prices for the right to operate a cab. In Boston, which allows no more cabs than it did in 1930, a taxi license costs about $33,000. In New York City, the going price is $63,000 to $70,000. Deregulation would reduce the value of taxi medallions and thus would almost certainly be challenged as government confiscation of property. How the courts would rule is an "open issue," says Robert Mackasek, Deputy Commissioner of the New York City Taxi & Limousine Commission.

Squeezed out by high medallion prices, many taxi operators exist outside the law. Known as "gypsies," "bandits," and "hacks," they serve mostly ghetto neighborhoods. Davis of Carnegie-Mellon found nearly twice as many illegal cabs in Pittsburgh as legal ones. New York City has an estimated 20,000 to 40,000 gypsies, compared with 12,000 licensed cabs.

These unofficial taxis help meet the demand for cab service, but many lack adequate insurance and are costly to police. Deregulation could reduce the problem of gypsies, as well as improve service for cab riders everywhere. ■



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Private Enterprise in Public Transportation: The Case of the Taxi Industry

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THIRTY years ago, almost all publicly available urban transportation was provided by private enterprise, in the form of the mass transit and taxicab industries. Today, only the taxicab industry remains in the private sector; mass transit operations are publicly owned and heavily subsidized in almost all urban areas. Over the past 10 years, however, increasing numbers of taxi companies have become, like their formerly private mass transit counterparts, providers of publicly sponsored and subsidized urban transportation services. In contrast to the mass transit industry, taxi industry involvement in public transportation has occurred not through public takeover and direct subsidization, but through service contracts between public agencies and taxi companies. For some companies, such contracts have become an essential element of their economic survival.

The use of taxi firms as public transportation contractors represents an alternative approach to public service provision. Rather than transform private enterprise into a public organization for transportation service delivery, like the mass transit industry, this approach retains the private sector character of the public transportation provider and allows for many of its activities to be purely private market oriented. This model for public transportation service development merits serious evaluation, for not only is it increasingly being advocated as a more cost-effective approach to transit service delivery

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than the public enterprise model, but it also has important implications for the financial well-being of the taxicab industry.[1]

Taxi company involvement in public transportation is occurring at a time when the taxicab industry is experiencing its most serious economic malaise since the depression of the 1930's. Studies of the industry indicate that the number of taxicab operators has declined by over 40 percent during the past 10 years, and that less than half as many taxi vehicles are in service today than a decade ago.[2] Revenue trends for those companies still in operation are similarly ominous, with the revenue per vehicle mile for the average operator suffering a 5 percent decrease in real (inflation adjusted) terms between 1973 and 1981.[3] Some industry observers question the ability of many small and medium size companies that do not operate in large cities to survive over the long run.

The increasing use of taxi firms as public transportation providers raises two important questions. First, does this particular use of private enterprise by the public sector make possible more cost-effective public transportation services? Second, will this development help maintain an economically viable private sector taxi capability? If both answers are affirmative, it is obvious that this development is positive for the affected public and private sector interests.

INVOLVEMENT OF TAXI FIRMS IN PUBLIC TRANSPORTATION: ORIGINS, SCOPE, AND MAGNITUDE

The first known use of a taxi operator to provide a community's public transportation service occurred in El Cajon, California, in December 1973. The City of El Cajon (a suburb of San Diego with a population of 70,000) contracted with Yellow Cab of San Diego to operate a subsidized shared-ride taxi service. The service was an immediate success. It still operates today, and is one of the most cost-effective demand responsive transit systems in the entire country. By 1975, several public agencies in California and Michigan had contracted with local taxi firms to operate demand responsive transit (DRT) systems, and by the late 1970s, this model for DRT service delivery had spread to many parts of the country. At present, *in California alone,* there are approximately 70 public transportation

1. Blue Ribbon Panel, "Making Better Uses of Private Transportation Resources," for the Urban Mass Transportation Administration, December 1983.

2. G. Gilbert, R.J. Burby, and C.E. Feibel, "Taxicab Operating Characteristics in the United States," *Transportation* 12, no. 2 (January 1984).

3. Gilbert, et al., "Taxicab Operating Characteristics."

services provided by taxi companies. Taxi companies also have become important suppliers of public transit in Arizona, Minnesota, Michigan, and Illinois.

Taxi firms provide three different types of public transportation service for public agencies: fixed-route transit, DRT for the general public, and specialized DRT services for the elderly and/or handicapped. The large majority of services are in the two DRT categories and are for community circulation purposes, although taxi companies also operate DRT feeders to fixed-route transit, low density routes in a regional fixed-route transit operation, and late night substitution service for fixed-route transit.

Taxi companies provide public transportation services in a myriad of geographic and institutional environments. Phoenix uses a taxi firm to provide Sunday dial-a-ride service as a substitute for fixed-route transit and to operate regular dial-a-ride and fixed-route service in low density areas. Many other large cities have established subsidized taxi programs for elderly and handicapped persons. In more than 25 southern California suburbs, taxi companies operate general public DRT; specialized DRT services abound in San Francisco Bay Area suburbs. Small towns in Minnesota, Michigan, and California have contracted with taxi firms for all of their community level transit, usually in the form of a DRT operation. In addition, regional public transit agencies in California, Michigan, and Virginia have contracted with taxi companies for demand responsive and fixed-route service.

Scope of the Analysis

In assessing the involvement of taxi companies in public transportation, three issues are of paramount importance. First, why has the public sector brought the taxi industry into the public transportation arena as a service contractor, rather than rely exclusively on the public enterprise model of transit service delivery? Second, how well have taxi companies performed as public transportation providers? Third, what have been the impacts—financial, organizational, and otherwise—on taxi firms participating in public transportation?

These issues are explored with primary reference to California's experiences with public transportation provided by taxi companies. Although taxi-based public transit has been implemented throughout the country, and other relevant experiences are included in this analysis, by far the greatest concentration of such services is in California. The state contains 30 general public DRT or fixed route

systems operated by taxi firms and an even larger number of specialized services for the elderly and/or handicapped. Detailed and comprehensive information was previously collected on the large majority of these systems as the result of two previous studies.[4] Where appropriate, this information was updated for this analysis.

WHY HAS THE PUBLIC SECTOR BROUGHT THE TAXI INDUSTRY INTO PUBLIC TRANSPORTATION?

Several factors are responsible for the increasingly widespread use of taxi firms as public transportation providers, but the diffusion of DRT services since the early 1970s clearly served as the catalyst for this development. Two aspects of DRT's diffusion are particularly important. First, public agency sponsors of DRT quickly recognized that the only way to achieve an acceptable level of cost-effectiveness was to keep service production costs lower than those which typically characterized transit agency services. Otherwise, the relatively low vehicle productivity of DRT would lead to very high costs per passenger. This recognition led to a search for low cost methods of delivering DRT. Second, many of the public agencies that did implement DRT services were not transit organizations, and thus did not have a vested interest in delivering services via the public enterprise model.

The trend towards using private providers has been very strong in California. Local governments in the state have direct access to state transit subsidies, and cities and counties in California have a long-standing tradition of contracting with the private sector for a variety of public services.[5] With the exception of some early DRT experiments (for example Santa Clara County), almost all general public DRT services in California have been contracted to the private sector, as have most specialized DRT services. The motivation for contracting has almost invariably been financial, although some local governments have also wished to avoid direct operation of a public transportation service due to concerns about expanding the size of the public bureaucracy.

4. R.F. Teal, G.J. Fielding, G.M. Giuliano, J.V. Marks, and R.E. Goodhue, *Shared Ride Taxi Services as Community Public Transit,* Final Report for the Urban Mass Transportation Administration, March 1980; and R.F. Teal, S.B. Rooney, K. Mortazavi, and R.E. Goodhue, *Taxi-Based Special Transit Services,* Final Report for the Urban Mass Transportation Administration, March 1983.

5. S. Sonenblum, J.J. Kirlin, and J.C. Ries, *How Cities Provide Services: An Evaluation of Aliernative Delivery Structures* (Cambridge, MA: Ballinger, 1977).

From the perspective of taxi firms, DRT service contracting provides an obvious opportunity to become involved in public transportation. Not only is DRT similar to regular taxi service, the only difference—albeit an important one—being that the former is based on shared-ride operations, but initially there were few other private transportation companies capable of providing DRT. Moreover, because DRT service contracts are usually awarded on the basis of competitive bids, the local taxi company has an advantage over other potential providers due to its ability to provide DRT inexpensively. By virtue of their regular taxi operations, taxi firms already possess all the overhead capabilities needed to deliver demand responsive transportation—an administrative/managerial structure, maintenance facilities, radio dispatching equipment, and buildings and yards. The total cost of producing DRT consists of the direct costs of service production—wages for drivers and dispatchers and the costs of fuel, maintenance, and insurance for the vehicles—plus overhead expenses. Thus, a taxi firm, which need allocate only some fraction of its total overhead expense to the DRT service, is almost invariably a lower cost provider than other public or private operators that must establish an overhead structure dedicated exclusively to the DRT service and charge expenses accordingly.

Table I illustrates the service production cost advantages of taxi firms for general public DRT operations. This comparison is based on the cost per vehicle service hour (VSH) in 1981–82 of dedicated vehicle DRT systems in California for four different types of providers. In a "dedicated vehicle" system, the vehicles used for DRT service are dedicated exclusively to this purpose. Taxi companies can also produce "integrated fleet" DRT service, in which taxi vehicles are used interchangeably for regular taxi service and DRT. Other types of providers cannot operate an integrated fleet system (as they have no

TABLE I—COMPARATIVE SERVICE PRODUCTION COSTS FOR GENERAL PUBLIC DRT

Cost per Vehicle Service Hour (1982)		
Type of Operator	*Operating Cost Only*	*Operating Cost Plus Sponsor Administrative Expense*
Taxi Firm	$16.80	$18.00 (n = 21)
Large DRT Management Firm	23.16	26.66 (n = 13)
Other Private Contractors	17.83	19.98 (n = 10)
Public Agency	N/A	20.35 (n = 4)

Source: California State Controller, Transportation Development Act Report, 1981–82 fiscal year.

other demand responsive services they can simultaneously produce), however, so the relevant comparison of production costs is for dedicated vehicle operations.

Table I shows that the taxi firms operating general public DRT systems during 1981–1982 could produce DRT service an average of 6 to 27 percent less than other providers. If two high cost taxi-based systems are eliminated because they are not operated by *local* taxi companies (and therefore, due to lack of overhead sharing, are more comparable in service production costs to the systems operated by the large statewide DRT management firm), the average cost for the taxi company operated systems is reduced to $15.83 per VSH. This represents an 11 to 32 percent cost advantage compared to the other private contractors and a 17 percent cost advantage over the municipally operated DRT systems. Comparison with previous studies indicates that the magnitude of the taxi company cost advantage has been maintained for several years.[6]

Another reason why the taxi industry has been well-positioned to become a public transportation provider is that it is *uniquely* capable of delivering demand responsive public services through the same operating system as regular taxi service. Such integrated fleet services can rely on either shared ride taxi (SRT) or exclusive ride taxi (ERT) in providing subsidized public transportation to community residents. Although relatively few public agencies have taken advantage of this capability when implementing general public DRT, many sponsors of specialized DRT services have done so.

In an effort to demonstrate the usefulness of this taxi company capability, the Urban Mass Transportation Administration has sponsored several projects involving user-side subsidies for taxi service. These projects demonstrated that special transit services could be provided very cost-effectively in this fashion, even though relatively little actual shared riding occurred in what were nominally SRT services.[7] Most local governments in California who opt for user-side subsidies for the elderly and handicapped have simply subsidized ERT service in lieu of establishing a separate specialized system, an alternative only available with a taxi company.

Taxi companies have also proven to be very inexpensive providers of fixed-route transit. Taxi operators in California, Arizona, and

6. Teal, et al., *Shared Ride Taxi Services.*

7. B.D. Spear, *User-Side Subsidies: Delivering Special Needs Transportation Through Private Providers,* U.S. Department of Transportation, Research and Special Programs Administration, June 1981.

Virginia are providing such service at $15 to $20 per VSH (exclusive of the capital costs of vehicles) using vans and mini-buses, far below regional transit agency service production costs. Even in small California cities fixed-route transit costs $21 to $35 per VSH when delivered by public agencies or other types of private providers.

In addition, communities using taxi firms as public transportation providers are assured of a continued provision for taxi service. This has been particularly important in small cities, where there is typically only a single taxi company, and most are financially vulnerable. Small cities in Wisconsin and California, which have lost all taxi service, have been forced to directly subsidize operators in order to revive taxi service. The revenues from contract services thus may be an essential ingredient in enabling taxi service to continue to be provided in marginal ERT markets. Taxi company owners in several California cities credit public agency contracts with preserving their firm's financial integrity.

Finally, it is important to emphasize the role that taxi firms themselves have played in encouraging their use as public transportation providers. Not only have many operators actively pursued contract opportunities, but many have also communicated directly to local officials that any competing subsidized services could destroy their company, and thus end taxi service in the community. Some even threatened legal action if competing DRT services were initiated. Most companies have been aggressive bidders for DRT contracts, in some cases quoting contract rates that represent no more than the marginal cost of the public transportation service.

PERFORMANCE OF TAXI FIRMS AS PUBLIC TRANSPORTATION PROVIDERS

Taxi companies have compiled a mixed record as public transportation service providers. Due to their low production costs, they can deliver more cost-effective fixed route service than other types of providers, and some of the most cost-effective general public DRT systems in California are also operated by taxi firms. However, general public DRT services operated by taxi firms tend to be *less* cost-effective than those operated by other types of providers. On the other hand, taxi companies that operate specialized DRT services perform at least as well as other providers, and usually better. These results are not inconsistent, but rather reflect the difficulties many taxi firms have in achieving highly productive shared-ride services.

General Public Systems

The best "bottom line" measure of provider performance in DRT systems is cost per passenger. Cost per passenger depends upon both service production costs and vehicle productivity (typically measured in passengers per vehicle service hour). The latter, in turn, is at least partially dependent upon how efficiently the operator routes and schedules (dispatches) vehicles to meet trip demands.

As Table II illustrates, California taxi companies that operate dedicated vehicle general public DRT systems negate most or all their production cost advantages due to relatively low vehicle productivities. Other types of operators achieve at least 25 percent higher vehicle productivity. Because average vehicle productivity is low, cost per passenger is relatively high for taxi-based systems.

There are only two plausible explanations for this relatively poor productivity showing. First, it may be a statistical quirk caused by systematic differences in DRT service area conditions between taxi companies and other types of providers. In fact, taxi firms do operate proportionately more suburban DRT systems, which tend to be more difficult environments in which to achieve high vehicle productivities due to more dispersed trip patterns compared to independent small cities. However, it is unlikely that this factor alone adequately explains the fact that other types of providers achieve five passengers per VSH (a modest level of vehicle productivity) proportionately three times more often than do taxi companies. The second, and more convincing explanation, is that the DRT dispatching systems of taxi companies often are subpar. With few exceptions, taxi companies have not made a science of DRT dispatching, as have some of their competitors. Instead, they have made incremental changes in ERT dispatching procedures, which are aimed at quick response, not high

TABLE II–COST-EFFECTIVENESS AND PRODUCTIVITY OF GENERAL PUBLIC DRT SYSTEMS BY TYPE OF PROVIDER

Provider	*Cost/VSH*	*Pass/VSH*	*Cost/Passenger*[a]
Taxi Company (n = 21)	$18.00[a]	4.62	$3.74
DRT Management Company (n = 13)	26.66	5.75	4.30
Other Private Contractors (n = 10)	19.98	6.16	3.46
Municipality (n = 4)	20.35	6.97	2.93

[a]Operating costs including sponsor administrative expenses.

Source: California State Controller, Transportation Development Act Report, 1981–82 fiscal year.

TABLE III—COMPARATIVE PERFORMANCE OF SERVICE ORGANIZATION OPTIONS FOR TAXI-BASED GENERAL PUBLIC DRT SYSTEMS

	Cost/Passenger[a]	*Passenger/VSH*
Integrated Fleet (n = 4)	$2.52	6.05[b]
Dedicated Vehicle (n = 21)	3.74	4.62

[a]Excludes sponsor administrative expenses.
[b]Estimated from operator data; cannot be directly computed for this type of service.
Source: California State Controller, Transportation Development Act Report, 1981–82 fiscal year and data obtained from operators.

productivity. These changes, however, fail to produce the magnitude of shared riding achieved by more systematic DRT dispatching operations.

California's experiences suggest, however, that there is one consistently effective method for obtaining relatively low cost general public DRT from taxi firms, namely to organize an integrated fleet system. As Table III reveals, the California taxi companies that operate integrated fleet DRT services achieve an average cost per passenger one-third less than that of dedicated vehicle DRT systems. Even more convincing evidence of the cost savings potential of integrated fleet systems is provided by the case of La Mesa, California, whose DRT system experienced a 15 percent reduction in cost per passenger when it switched from a dedicated vehicle to integrated fleet operation.[8]

The productivity gains (estimated at 30 percent in Table III) behind this cost-effectiveness improvement result from the ability of the taxi operator to minimize unproductive vehicle time associated with sizing the DRT fleet to meet peak demands. By using the same fleet of taxi vehicles interchangeably for SRT and ERT service, the operator can continuously adjust the number of vehicles used for the public transportation operation.

Despite the performance advantages of the integrated fleet method of organizing general public DRT, the vast majority of public agency sponsors have opted for dedicated vehicle systems. This is due to the sponsor's politically understandable desire to identifiably link the service, through painting and signing of the DRT vehicles, to the public agency that funds the operation. In an integrated fleet system, service is delivered in regular taxi vehicles, thereby obscuring the connection between public agency sponsorship and service delivery.

8. R.F. Teal and G. Giuliano, "Taxi-Based Community Transit: A Comparative Analysis of System Alternatives and Outcomes," *Proceeding of the Transportation Research Forum*, 1980.

Specialized Services

The performance record of taxi firms is much better for specialized (elderly and/or handicapped) DRT services, irrespective of service organization. This is consistent with the problems most taxi companies have in achieving high vehicle productivity, since specialized DRT services are inherently low productivity operations. The dispatching weaknesses of taxi company contractors become much less important in such situations, and their productivity achievements are comparable to other types of operators.

Table IV illustrates the productivity and cost-effectiveness of specialized DRT services operated by taxi companies and other types of providers. As can be seen, taxi companies have a marked cost-effectiveness advantage over other providers for dedicated vehicle systems, a result of their lower production costs, not their superior productivity. An equally significant finding is that integrated fleet, user-side subsidy taxi services are more cost-effective than most dedicated vehicle systems. Even the average cost per passenger for subsidized ERT service is less than that of dedicated vehicle systems operated by other providers, as well as the average dedicated vehicle system in the sample.

Overall Performance

The evidence from California indicates that taxi firms perform as well or better than other types of providers only in certain situations, with general public DRT in the dedicated vehicle mode the most problematic type of service. Fortunately for taxi companies, public agency sponsors of DRT typically select a contractor on the basis of service production costs, reflecting an approach of minimizing budgetary outlays rather than maximizing ridership. And low service

TABLE IV—PRODUCTIVITY AND COST-EFFECTIVENESS OF ELDERLY AND HANDICAPPED DRT SERVICES

Dedicated Vehicle Systems	*Pass/VSH*	*Cost/Passenger*
Taxi Firm	3.78	$5.26 (n = 4)
Other Private Contractor	3.73	7.48 (n = 11)
Public Agency	3.28	6.51 (n = 12)
All Operators	3.54	6.72 (n = 27)
Integrated Fleet Services		
Subsidized ERT	NA	5.61 (n = 25)
User-side Subsidy SRT	NA	2.51 (n = 5)

Source: California State Controller, Transportation Development Act Report, 1981–82 fiscal year.

production costs are clearly the most consistently impressive aspect of taxi company performance. Moreover, whatever the basis for provider selection, taxi companies tend to be very formidable competitors for contracts for special transit services, as they can usually deliver such services more cost-effectively than other operators under any service organization scheme.

IMPACTS ON TAXI COMPANIES

Taxi firms have experienced financial, organizational, efficiency, labor and legal impacts as a result of their participation in public transportation.

Financial Impacts

Becoming a public transportation contractor has resulted in major financial impacts for many taxi firms in California. Currently, five taxi companies in the state are obtaining at least $1 million annually from public transit contracts; one of these companies is generating over $3 million from such contracts. Nearly 20 companies obtain at least 25 percent of their revenues from this source and some of the larger taxi company contractors now obtain at least as much revenue from transit contracts as from regular taxi service. Overall, at least 50 California taxi companies are involved in some way in public transportation service delivery. This represents approximately one-third of all taxi operations in the state (excluding one vehicle owner-driver operations).

Those taxi companies that have made transit contracting a cornerstone of their financial well-being have in most cases faced stagnant or declining markets for ERT service. The management of the companies realized that if the enterprise was to grow, or in some cases merely to remain viable, it would have to diversify. The most heavily involved companies have actively sought out all types of public transportation contracts—general public DRT, special transit, even fixed-route transit—and have diversified into a variety of other contract and private market services as well. For example, several taxi companies have become major providers of social service agency transportation.

For companies somewhat dependent on the public sector, it might be supposed that the loss of a major contract could be a financial disaster. This does not usually appear to be the case. At least three taxi companies are known to have lost major DRT contracts—worth

$300,000 to $600,000 annually—in competitive bidding without serious adverse financial impacts.

Organizational Impacts

The impacts of transit service contracting to the organizational processes, capabilities, and strategies of taxi firms have varied widely. For those firms that have become providers of general public DRT systems, or at least a reasonably large dedicated vehicle special transit service, the organizational impacts have often been profound. Some of these companies have been transformed into full-scale paratransit enterprises that bear little resemblance to their ERT-only predecessors.

On the other hand, organizational impacts have been minor for most of the taxi firms whose involvement in public transportation is only through subsidized ERT services. A few such companies have diversified into other types of services (for example social service agency transportation), but the vast majority are essentially the same type of operation that they have historically been.

Nine of the 13 California taxi firms that operate transit services for the general public have become highly diversified operations, providing a variety of contract services (like public transportation, social service transportation, and school transportation) and occasionally operating related private market transportation services (ambulances, airport service, buses, etc.). Typically, the challenge of operating a new type of service, the financial rewards of a contract operation (a guaranteed source of income that often represents a significant portion of the enterprise's revenues), and the new public sector environment in which the company found itself combined to cause a reappraisal of organizational strategy. As top management broadened its outlook instead of simply operating a taxicab business, it perceived that a number of important financial opportunities existed, and recognized that the firm was well positioned to provide a variety of transportation services.

The experiences of three California taxi companies illustrate the potentially revolutionary effects of public transportation service contracting. Diversified Paratransit, Inc. and Private Sector Systems, both based in Los Angeles County, are the two largest taxi contractors in the state. In 1974, Diversified Paratransit, then Paul's Yellow Cab, was in danger of ceasing to operate. Its ERT operation served a weak taxi market in a suburban area, and the company operated less than

50 taxis. In 1975, however, it acquired the first of a string of public transportation contracts, although it lost money that year. Today, Diversified Paratransit operates only 30 ERT vehicles, but grosses over $2 million annually in contract revenues (despite recently losing a $600,000 contract) from public transportation services. The company has clearly found its niche.

The success story of Private Sector Systems is even more dramatic. Seven years ago the company operated 25 taxis in one corner of Los Angeles. It did not operate a single public transportation service. As a result of astute management, substantial growth in transit contracting opportunities, and acquisitions of other companies, Private Sector Systems now is the provider for 10 different transit services, representing $3.2 million in contract revenues. These services include general public and specialized transit services, dedicated vehicle and integrated fleet operations, and fixed-route transit as well as DRT. In addition, the company has expanded into airport service and social service transportation. The ERT business has also boomed due to acquisitions and new franchises, and the company now operates over 400 taxis in four different service areas. Public transportation contracts have been the key building block in the company's rapid rise to transportation prominence in Los Angeles County.

Barstow City Cab operates in a much different service environment. It serves a relatively isolated small city of about 20,000 population in the Mojave Desert. Due to the small market for taxi service in Barstow, diversification has been a way of life for City Cab. The company operates or has operated ambulance service, a gasoline station, and a medical supplies delivery business. Public transportation contracting has been by far the company's most important diversification. City Cab now operates three dedicated vehicle DRT systems in Barstow and nearby areas. It grosses over $400,000 annually from these services, well in excess of its revenues from ERT operations. Many small cities like Barstow contain either a struggling taxi operator in perpetual financial difficulty or no taxi company at all. Due to its transit contracts, Barstow City Cab is in excellent financial condition and will be able to provide a variety of transportation services in Barstow and nearby areas for the foreseeable future.

Taxi companies such as these exist alongside highly traditional taxi operators, but the latter are increasingly vulnerable as were once the three companies described above. Subsidized ERT has been an important financial boost to some traditional taxi companies, but it

TABLE V—CONTRACT PRICE INCREASES COMPARED TO RATE OF INFLATION

System	*Increase in Contract Unit Cost*[a]	*Increase in Consumer Price Index*[a]
El Cajon	%77[b]	110[b]
Barstow	33	57
Arcadia	37	57
Ceres	25	57
San Bernardino	49	57
West San Bernardino County	41	57

[a]January 1978 to January 1983 unless noted.
[b]January 1974 to January 1983.
Source: Bureau of Labor Statistics and data supplied by sponsors.

always represents only a relatively small increase (never more than 25 percent) in company revenues. This is because ridership is limited and some clients of the program were previously making unsubsidized taxi trips. Dedicated vehicle DRT systems and other general public transit services typically offer much greater opportunities for revenue growth and thus provide more impetus for the organizational redevelopment that this makes possible.

Efficiency Impacts

Some analysts have expressed concern that the direct subsidization of private firms through exclusive public agency contracts will undermine efficiency incentives and erode their cost advantage.[9] They suggest that contract renewals every two to three years (or less frequently) may not constitute sufficient incentive to hold costs down when public subsidies are available to pay for cost increases. The evidence from California, however, indicates that involvement with government subsidies has *not* had an adverse impact on the cost-efficiency of taxi firms. Table V illustrates that unit cost per VSH has increased less rapidly than the Consumer Price Index for six DRT systems that have had the same operator for at least 7 years. All these taxi contractors have exclusive service contracts with the public agency, all have operated the DRT system since its inception, and most face no serious competition for the contract. Nonetheless, these operators have increased their price to their public agency sponsors by an average of only two-thirds that of the increase in the CPI.

In addition, the production cost differential between taxi compa-

9. The Urban Institute, "User-Side Subsidies for Urban Transportation Services," prepared for the Urban Mass Transportation Administration, Office of Service and Methods Demonstrations, Washington, D.C., November 1977.

nies and other public and private DRT providers has not narrowed significantly over a 5-year period. Contract rates for even long-standing contracts remain substantially below the average cost per VSH for the large statewide DRT management firm. If taxi firms were attempting to exploit local monopoly conditions in setting contract prices, it is likely that this differential would be quite small.

Labor and Legal Impacts

Previous analyses have suggested that the move by taxi firms into the public transportation arena would result in significant labor and legal impacts.[10] To date, however, relatively few of these impacts have become manifest in California.

Low-cost labor is one of the key elements that enables taxi firms to produce inexpensive public transportation services. Some observers have suggested that taxi company labor costs might increase significantly as the result of becoming a public sector contractor, thereby making them less attractive contractors. This could occur for several reasons.

First, DRT driving and dispatching are more demanding than the comparable jobs for regular taxi service, and therefore might command higher wages. Second, job performance is more critical to the well-being of the firms, as a relatively small number of mistakes could cause the loss of a lucrative public contract. Hence the need for capable personnel is enhanced. Third, the contract service provides the taxi firm with a guaranteed source of funds from which to compensate personnel, unlike ERT in which revenues are totally dependent on market demand in an economic environment that is not robust. Fourth, large taxi contractors might attract unions who wish to organize their workers, and who would create strong upward pressure on wages.

In actuality, taxi companies have not been forced to increase compensation rates significantly above ERT levels for their transit contract personnel. Drivers for most DRT systems receive $4 to $5 per hour; dispatching and office personnel are paid only slightly more.

10. A.A. Altshuler, "The Federal Government and Para-Transit," in Transportation Research Board, *Para-Transit,* Special Report 164, 1976; D.M. Alschuler, "Labor Protection, Labor Standards, and the Future of Paratransit," Transportation Research Board, *Para-Transit 1979,* Special Report 186, 1979; and E. Zolla, "Labor Requirements Under Shared Ride Taxi Systems," in *Proceedings of the Conference on Taxis as Public Transit,* Fielding and Teal, eds., Institute of Transportation Studies, University of California, Irvine, December 1978.

The primary reason why taxi companies have not had to incur significantly higher labor costs for contract operations is because adequate personnel is available at low wages. Taxi managers report that an abundant supply of DRT drivers is available at $4 to $5 per hour. Moreover, most other DRT providers also pay relatively low wages—the large DRT management firm operating in California pays its drivers only marginally more than do taxi companies. Drivers of small public transportation vehicles (taxis, vans, and mini-buses) simply do not command high wages in the private labor market.

Unionization could upset this situation, but it has not become a problem for any of the public transit contractors among California's taxi companies. The lack of union interest appears to be a function of the uncertain tenure of DRT workers due to the contractual nature of the service, the relatively small size of the potentially unionized labor force (no more than 75 DRT drivers at any taxi company in California, and usually many less), and the composition of the paratransit work force (former housewives, students, semi-retired persons, job mainstream drop-outs), which is not well-suited to appeals by organized labor. Relatively few of these individuals expect to make a career of the job. In addition, some large sponsors (like the Orange County Transit District) deliberately avoid giving all their contract service to a single provider so as not to create a target for unionization.

The legal implications of taxi firms becoming public transportation contractors are more unsettled than the labor impacts. The major possible legal complication arises if sponsors use federal transit subsidies. The Urban Mass Transportation Act grants private "mass transportation companies" (taxi companies that provide shared-ride service apparently qualify as such) protections from federally subsidized competition in Sections 3(e) and 8(e), requires their inclusion in the transportation planning process in Section 9(f), and makes recipients of federal subsidies subject to labor protection requirements in Section 13(c).

In the late 1970s much concern was voiced about the impacts of these provisions on privately contracted paratransit services.[11] It was feared that Section 13(c), in particular, might severely complicate service contracting. This could occur, for example, if the Department of Labor, which administers 13(c) agreements, required that a public

11. Altshuler, "The Federal Government and Para-Transit"; and Alschuler, "Labor Protection, Labor Standards, and the Future of Paratransit."

agency sponsor guarantee employment (or suitable monetary compensation) to the affected employers of a public transit contractor if the private company lost its transit contract to another provider. Such a proposal was actually advanced by Department of Labor personnel. If formally promulgated, it would make private contractors more attractive unionization targets and eliminate competitive pressures that help keep their labor costs low. Either development would have long term adverse impacts on service contracting.

Despite these potential complications, Section 13(c) has *not* become an issue for taxi company contractors in California. Taxi companies have nothing to gain by making 13(c) an issue, as it protects employees, not the company. Municipal and county sponsors of transit services simply want to avoid any involvement with 13(c), and have successfully done so by either ignoring it or certifying that it does not apply to their contracted service. Federal authorities have not directly challenged this stance.

In sum, the legal and labor implications of taxi contracting are still not completely clarified. However, with a decade of experience in California, the worst prognostications have yet to come true.

CONCLUSIONS AND POLICY IMPLICATIONS

The experiences with taxi company operated public transportation in California clearly demonstrate that it represents a viable alternative approach to transit service delivery. Private transportation enterprises need not be transformed into public organizations or wards of the public sector in order to ensure that an organizational capability for public transportation will continue to exist. Rather, by contracting with such organizations for both paratransit and conventional transit service, public agencies can obtain the public transportation services they desire while simultaneouly promoting cost-effectiveness in service delivery and improving the financial situation of the participating taxi firms. In so doing, they help ensure the continued existence of conventional taxi service in marginal taxi markets.

Taxi companies have also benefited substantially from involvement in public transportation. Nearly one out of seven California taxi firms earns at least 25 percent of its annual revenues from transit contracts. Several California taxi firms have become so heavily involved in public transportation contracting that they have evolved into paratransit companies that are several times larger, more capable organizationally, and much more financially secure than the ERT-

only operations from which they developed. The capabilities of these firms represent an important resource for the public sector. Moreover, there is no evidence that these firms have become overly dependent on government funds, or that the introduction of public subsidies into their revenue base has led to a reduction in cost-efficiency.

This is not to say that this public transportation development is without problems or potential problems. Many taxi companies have difficulty in matching the vehicle productivities achieved by other types of providers for general public DRT, with adverse consequences for the cost-effectiveness of such services. Labor or legal complications could still occur, particularly as a result of the 13(c) issue. Moreover, changing labor practices in the taxi industry itself appear to be negatively affecting the capabilities of many taxi companies. The massive shift within the industry to vehicle leasing and to owner-drivers has been accomplished by a shift in management focus *away* from operational control and organizational development, at least for companies that have not already evolved into more broadly based transportation organizations. Only when management looks beyond ERT and develops a capacity to move the organization into new services can taxi companies take full advantage of the new financial opportunities that are becoming available in transit service contracting.

Despite these potential problems, the California experience with taxi company operated public transportation services indicates that this is an extremely promising use of private enterprise in public transportation. Substantial benefits to both the public and private sectors have already been reaped in scores of cities in California and elsewhere. In all likelihood, this development guarantees a future role for taxi firms in both private *and* public transportation.

THE EXPERIENCES OF U.S. CITIES WITH TAXICAB OPEN ENTRY

October, 1983

By

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1.0 INTRODUCTION

1.1 Background

Public control over taxicabs and their predecessor, the hackney, first began over three hundred years ago in England. The early English hackeny regulations controlled the number of vehicles that could be licensed as hackneys, the fares that they could charge, and other aspects of hackney service. Since that time, the practice of public control over paratransit service has continued. In the United States, public control over taxicab service began early in this century, and widespread public control occurred during the early 1930s as unemployment and a surplus of unsold automobiles combined to increase the number of taxicabs on city streets. These regulations were patterned after the early English hackney laws in that they usually restricted entry into the industry, set fares that could be charged, and required minimum standards of safety and financial stability. Many of these early regulations have been only slightly modified during the past half century.

Probably the most controversial facet of taxicab regulations has been the controls over entry in the industry. Over eighty-seven percent of the U.S. cities control the number of taxicabs licensed in their jurisdictions. The most common method of entry control is a ceiling on the number of taxicabs. The second most common method is the requirement that an applicant show that "public convenience and necessity" support the need for

additional taxicabs. The third most common method is the establishment of a fixed ratio of taxicabs to population. There are several other methods that are infrequently used, such as granting franchises to a limited number of firms and setting high entry standards. An example of the latter is the requirement that a taxicab operator have a munimum number of taxicabs.

In the past decade a number of U.S. cities have enacted major changes in their taxicab entry controls. In some cases, cities have enacted entry controls that have increased city restrictions over entry into the industry; in other cases, cities have lessened or removed entry controls. Such major changes in regulation are sometimes called "regulatory revision", and the cities in which entry controls have been eliminated are open entry cases.

The subject of open entry has been very controversial within several industries, and the taxicab industry is no exception. Fueled by the national trend away from regulation, many cities have discussed open entry, and a few cities have actually enacted open entry policies. Several other cities have administratively imposed open entry by granting taxicab permits even without showing that public convenience and necessity supported additional taxicabs. Proponents of such actions argue that government should not interfere in an industry unless it is absolutely necessary, while opponents cite problems that will result if competition for taxicab business is not somehow restricted.

While this debate is intellectually interesting, it is less and less necessary. Because several cities have dramatically changed their entry regulations, there is now empirical evidence regarding the effects of open entry. Figures 1 and 2 list these cities. The cities in Figure 1 have all made changes to some form of entry control other than open entry. The cities in Figure 2 have changed to open entry. There is some overlap in these lists because Atlanta, San Diego, and Fresno have made changes of both kinds. The experiences of all these cities provides an opportunity to learn how major changes in entry contols affects the taxicab industry and the quality of service that taxicabs provide the general public.

1.2 Scope of Report

The purpose of this Report is not to argue that open entry is bad or good. Rather, the purpose is to examine the evidence that is now available regarding the experience that cities have had with open entry. It is hoped that by summarizing this information in a factual and objective manner, the Report will aid local officials and operators in cities that are considering changes in their entry control.

There are certain obvious pitfalls in attempting to examine the impacts of any phenomemon as controversial as open entry. One pitfall is not including all the relevant cases but rather choosing only those that support a particular viewpoint. Another is to omit impacts that are deemed to be unimportant or that con-

CITY	DATE	ACTION
Portland, OR	1979	Established minimum standards for entering industry.
Norfolk, VA	1982	Switched from medallions to certificates of public convenience and necessity.
Madison, WI	1979	Changed from population ratio to minimum standards.
Charlotte, NC	1982	Switched from public convenience and necessity to minimum standards.
El Paso, TX	1981	Changed from franchise system to public convenience and necessity
Atlanta, GA	1981	Changed from open entry to public convenience and necessity.
Fresno, CA	1982	Changed from open entry to minimum standards
San Diego, CA	1983	Changed from open entry to a one-year moratorium
Orlando, FL	1981	Increased ceiling on number of taxi permits from 127 to 220 and set minimum standards.

FIGURE 1: Major Cities Changing Entry Controls Without Adopting Open Entry

CITY	STARTED	ENDED
Atlanta, GA	1965	1981
Indianapolis 1 IN	1973	1974
Spokane, WA	1980	
Fresno, CA	1979	1982
Seattle, WA	1979	
San Diego, CA	1979	1983
Milwaukee, WI	1979	
Phoenix and Tuscon 2 AZ	1982	
Tacoma, WA	1981	
Oakland, CA	1979	
Berkeley, CA	1980	
Sacramento, CA	1982	

FIGURE 2: Major Cities Changing to Open Entry

1. Indianapolis did not change their ordinance but did effect open entry administratively.

2. The State of Arizona deregulated all transportation, leaving Phoenix and Tuscon as open entry cities.

tradict a hoped-for conclusion. Both of these problems demand that the method of selection and analysis be clearly stated.

This analysis focuses on a sample drawn from the cities in Figure 2. The cities in Figure 2 represent all those cities that are known to have made major changes to open entry. Among these, a few have opened entry only in the past year. These have been excluded from the sample because the long-term effects of open entry in these cities cannot yet be determined. Two other cities, Berkeley and Oakland, were discovered late in the study and, because of time constraints, were not able to be included. Thus, this analysis focuses on data from the following cities:

Atlanta
Fresno
Indianapolis
Milwaukee
Phoenix
Sacramento
San Diego
Seattle

Excluded from the sample are several cities that have enacted entry control changes that are similar to open entry. One such city is Orlando, which increased the number of taxicab licenses permitted from 127 to 220. Also excluded are Charlotte and Portland, where the public convenience and necessity clauses were replaced by sets of minimum standards for new taxi firms. Neither

of these cities strictly qualifies as an open entry city. Several other cities have not officially changed their ordinances to open entry but nonetheless function as open entry cities. These cities have also not been included in this study.

The method of data collection and analysis for each of these cities is the same. First, written documentation was solicited and reviewed for each city. In some cases, such as Seattle, Indianapolis, and San Diego, this documentation was extensive and comprehensive, while in a few cases, little documentation existed. Second, phone calls were made to city officials in each city to update the available information and to verify facts in the printed materials. Finally, taxicab operators were contacted to corroborate the facts drawn from each case. This information was then written into case studies, and those case studies were compiled into this Report.

The remainder of this Report is organized into two major parts. Section 2 contains nine case studies. Section 3 presents conclusions based on these nine case studies.

2.0 OPEN ENTRY CASE STUDIES

2.1 Atlanta

Atlanta opened entry to its taxicab industry in 1965. At the time, the city had about 700 taxicabs that were controlled by five companies. It also had a large but undocumented number of "cars for hire", which were essentially black-owned taxicabs that served minority sections of Atlanta. The civil rights movement of the 1960s led City officials to remove barriers that prevented the cars-for-hire from serving major trip generators, such as the airport. To effect this change, the city passed an ordinance that removed the distinction between taxicabs and cars-for-hire. This ordinance immediately increased the number of taxicabs to about fourteen hundred by licensing the cars-for-hire as taxicabs. In so doing, the City removed all limitations on the numbers of taxicab permits. Only open entry was enacted; fares remained regulated.

The result of the open entry action was to change the structure of the taxicab industry in Atlanta. The five large companies were replaced by an industry composed primarily of independent owner-operators. Both old and new taxis moved to serve the more lucrative locations, and competition at the airport and at major hotels increased.

AIRPORT PROBLEMS

In the 1970s, Atlanta emerged as a major commercial and convention center. These changes alerted the business community that Atlanta's taxicab industry was a Key element in creating a

progressive and attractive image for the City. These concerns were highlighted by frequent visitors' complaints about taxicab service. In fact, the concern among business leaders was so great that the Atlanta Chamber of Commerce donated staff resources to draft a new ordinance.

The basic reason for Atlanta to consider re-regulation was a concern that open entry was not working. Open entry was intended to serve a civil rights problem, but in so doing, it sanctioned what became an over-supply of taxicabs. Local business and city officials viewed the over-supply of cabs as leading to an unstable business environment within the taxicab industry and poor quality service for passengers. These perceptions led the City to try several measures of control from 1975 through 1981. However, most of these regulatory attempts were unsuccessful because they were either ineffective or unenforceable. Figure 3 summarizes these attempts. Then, in 1980, the Mayor's Taxicab Task Force convened to try again to develop a set of regulatory reforms. In February, 1981, the City passed a revised ordinance based on the Task Force's recommendations.

The essence of this new regulatory action was the re-establishment of entry controls. The ordinance required a Certificate of Public Necessity and Convenience (CPNC) for each vehicle in operation as a taxicab. The ordinance limits the number of vehicles to 1500 to be reached by attrition as vehicle operators leave the industry. The certificates are allowed to be bought

	1975	1976	1977	1978	1979	1980	1981
Public Safety							
Insurance	15/50/5;$55,000 collateral for S.I				10/20/5; $10,000		
Driver Quals	record considered			national record search			
Entry Control							
# of vehicles	unenforceable ceiling					Moratorium	Ceiling
# of companies	not regulated after the 1960's						
Service Quality							
Veh age	3 years		weakened, then dropped				
Veh inspections	annual				semiannual		
Vehicle color scheme	required			repealed			reinstated
Veh/company min.	50			none			25
Dress Code	required						
Street guide	required						
Driver exam	not required						required
Driver transfers	no restrictions			2/year maximum			repealed
Enforcement	1 police sergeant						staff of 12

FIGURE 3: Summary of Atlanta's Regulatory Changes

Source: Multisystems, (1982).

and sold among operators. The City also required all new operators entering the industry to have a minimum of 25 cabs.

The result of the closing of entry is a gradual coalescing of the taxicabs into fewer firms. There are now 1538 Certificates. These are held by 25 companies, whereas two years ago there were 55 companies.

The 1981 ordinance also changed the manner in which the City administers its taxicab regulations. The City established a Bureau of Taxicabs and Vehicles-for-Hire along with a Vehicle-for-Hire Appeals Board. The Bureau is a division of the Police Department and has a twelve-person staff that oversees the taxicab industry. The Appeals Board is an independent entity that reports to the Mayor and City Council. The current director of the Bureau reports that the new ordinance is working well and that the Bureau is working with the taxicab industry to improve taxicab services in places other than the airport.

2.2 Fresno

This city of 250,000 people has had a long and involved history of taxicab regulation. Originally, Fresno limited the number of cabs on the basis of a minimum requirement of 25 trips per day per vehicle and by a five-cab minimum per taxicab firm. In 1979, the taxicab industry petitioned for a fare hike and began negotiating with City Council, setting off a controversy concerning the amount of time necessary to process such requests. The discussions among City staff continued and soon became focused on the question of whether entry controls were necessary. Several ideas were considered for regulating the issuance of permits, including the use of a population ratio, before it was decided to open entry and fare setting completely and thus allow the market to regulate the industry. At that time, the responsibility for the permitting of cabs was switched from the Police Department to the Finance Department. In making this decision, Fresno's staff conducted a survey of several neighboring cities, including the recently deregulated Seattle and San Diego. Based on this analysis, the City Council passed an ordinance late in 1979 that completely opened entry and decontrolled fares.

Deregulation lasted about eighteen months. Before open entry, the City had 70 cabs. Of these, Yellow Cab had 51, Fresno Cab had 9, American Cab had 5, and there were five permits held by independents. After open entry it became increasingly evident to the City that unlimited entry and fare-setting was not working. Customer complaints tripled, according to the De-

puty City Manager, and the business community became involved due to concern for problems encountered with taxi service. These problems included price gouging and poor upkeep of the vehicles. Several cab company owners fought consistently for re-regulation. Due to these problems, the City issued a moratorium on taxicab permits late in 1981. Procedures were begun to re-write the ordinance to provide stricter regulation of the industry. At that time there were 50 cabs spread among 25 to 30 companies. The changes in the number of permits are shown in Figure 4.

The City re-imposed regulation in January, 1983, at which time the moratorium was lifted. Since that time customer complaints have reportedly dropped, and entry into the industry has slowed considerably. The new regulations have continued to be administered by the Finance Department. As of August, 1983, the taxicab industry and the City report satisfaction with the new ordinance and are generally cooperating to increase enforcement. The current ordinance requires a minimum of three cabs per operator, twenty-four hour per day dispatching, and a minimum of $160 per day per cab in documented revenues.

The Fresno experience with open entry is now seen by everyone interviewed during this study as negative. One City official put it this way: "We do not regulate the number of stores, but it is different with taxicabs. We assumed that market pressures would control the rates and provide a level of service which would be satisfactory, and it did not work." One problem that was com-

monly cited was the confusion of having over 25 different color schemes for the different companies. Currently, 45 cabs from about 20 companies serve the City.

1 PER 5555 POPULATION

NOTE - DECLINE IN # OF TAXICABS

1979	70 CABS
1981	50 CABS
1983	45 CABS down 36% from 1979 LEVELS

ALL ARE SATISFIED

CITY - PASSENGERS - TAXI OPERATORS

2.3 Indianapolis

The Indianapolis situation is different from others included in this analysis. Indianapolis did not enact new legislation to open entry, but rather the City administratively enacted an open entry policy. It is, however, an important case study to include in this analysis because for over a year the City was in effect an open entry city.

Indianapolis is a city of over seven hundred thousand people. In 1970 the City and Marion County combined governments, and in the process, the taxicab regulations of the two entities were also combined. The new ordinance replaced the previous cab-to-population ratio (1 per 1000) with a ceiling of 600 licenses. Otherwise, the new ordinance made few changes in taxi regulation with the City Controller retaining authority to grant licenses based upon a finding of public convenience and necessity. During the early 1970s, few if any applications for new taxi licenses were received by the Controller.

In 1972 there were 502 taxicabs licensed in the City. There were ten taxicab firms. Five of these were independents that held a total of ten licenses. The largest was Red Cab, which operated 302 taxicabs using union drivers. Yellow Cab was the second largest firm with 51 licenses. Three other firms held 139 licenses. Thus, even before open entry, there was substantial competition within the taxicab industry.

Several factors combined to bring about open entry in India-

napolis. One of these was the bankruptcy of the largest taxi company. Red Cab had been sold in 1969 to a Chicago company. By 1972, the new owners were having severe financial problems. The quality of Red Cab service declined to the point that the company lost its exclusive franchise with the airport. In 1973 the Red Cab drivers went on strike, and in August of the same year the company entered bankruptcy and ceased operations.

A second factor was the change in enforcement of the taxicab ordinance. Prior to the City-County consolidation, there had been little or no enforcement of the taxicab ordinance, but with the consolidation, the Controller was also given enforcement powers and a full-time police officer to carry out the enforcement. The ordinance included a provision that allowed the City to revoke any license that had not been used for 60 days. As the condition of Red Cab deteriorated, the Controller's Office became increasingly concerned and began checking how many cabs each firm was placing in service each day.

The result was a series of revocations of existing licenses. In April, 1973, the Controller revoked 155 licenses, of which 130 came from Red Cab. During the next eight months the Controller revoked 100 more, and in August the remaining Red Cab licenses reverted to the City when Red Cab ceased operations. By suddenly having at its disposal a block of licenses to distribute, the City was in the unique position of being able to shape the structure of the industry.

The City chose to distribute these licenses in a way that made Indianapolis an open entry city for over a year. The City advertised the availability of the licenses and imposed few requirements on applicants. A person needed only to pay $102 and pass minimal qualification requirements in order to be given a taxi permit. No minimum number of taxis per applicant was imposed, nor was radio communication required. In fact, the City purposely encouraged new owners to enter the industry by helping them set up their businesses.

The City gave out the permits in two batches. In May, 1973, the City gave out 125 permits, and in April of the following year 94 more were issued. All the available permits were not requested. Thus, after the reissuance, the total number of taxicab permits totalled only 466 (1 PER 1502 IN POPULATION) a decrease of 76? compared with the 1972 total.

One interesting result of the open entry experience was that only one "new" person entered the industry. The open entry brought in 34 new owners, but 33 of these had previously been drivers for one of the taxi firms. This fact, along with the fact that all the available licenses were not taken, means that there was not a strong demand for taxi permits in Indianapolis.

However, the most significant result of the open entry was a major re-structuring of the industry. Yellow Cab purchased 100 new permits to emerge as the largest fleet with 151 permits. The other firms purchased only a few of the available permits. Independents, however, purchased 147 new permits, and as a group held

Operator	Number of Permits 1972	1974	1983
Red Cab	302	0	0
Yellow Cab	51	151	156
Other Firms	139	158	109
Independents	10	157	85
TOTAL	502	466	350

NOTE - 30% decrease since 1972

FIGURE 5: Numbers of Taxicab Permits Before and After Redistribution in Indianapolis

Source: Gilbert and Gelb, (1980)

157 permits in 1974. The before-after comparison of the industry structure is shown in Figure 5. By August, 1983, the overall size of the industry had shrunk to 350 permits, with 85 of these held by independent operators. Yellow now had 156 permits.

The results of the open entry were otherwise negative as far as City officials report. The large number of taxicab firms created a rainbow of different color schemes and a large increase in enforcement problems. Insurance cancellation notices increased from a few per month to "about one hundred fifty per month." Likewise, the City received many more complaints about taxi service; a total of 5300 were received during the 1973-76 period. (5 per day!) Many taxi operators failed to maintain a place of business and were difficult to track down for even routine enforcement matters. There were also crime problems, with one large drug ring and one prostitution operation uncovered among taxi operators.

The outcome of these problems was that the City decided not to issue any more permits. Thus, even though there were still permits available from those that had been revoked, the City chose not to re-issue any more. Gradually, as operators left the industry and as some were bought out by others, the number of independents decreased.

2.4 Milwaukee

Taxicab regulation in Milwaukee began in 1924, eight years after taxicabs first began business in the City. For decades, the City controlled entry through a public convenience and necessity clause, which had become interpreted as a ratio of taxicabs to population. Until the late 1970s, this ratio was set at one cab per 1175 people. Regulation of taxicab vehicles was administered directly by the Common Council's Utilities and Licenses Committee while taxi drivers were regulated by the City Clerk.

In the middle 1970s two problems arose that caused concern among City officials about taxi service. The first of these was the practice of leasing taxicabs. Milwaukee had traditionally required permit holders to show that they owned their vehicles and to comply with specific City regulations. The rise of leasing concerned officials because they perceived that many permit holders were leasing their vehicles and permits to persons that were not controlled by the permit holders or the City. The City staff considered this situation to be a potential threat to the safety of passengers, and the City considered several solutions to this problem. One possibility was a medallion system, which had the strong support of the local taxi owners, but which was rejected by the City.

A second event was the bankruptcy of the largest taxicab fleet, Boynton Cab, in 1979. Boynton Cab Company had been in

business since 1917 and was the largest and oldest cab company in the City. On April 1, 1979, the Company closed its doors after having been in a dispute with its drivers over an increase in the driver lease fee. Boynton Cab held 175 permits, or 46% of the permits in existence. When Boynton Cab ceased operations, the City became even more concerned about the adequacy of taxicab service and questioned more seriously the long-standing practice of limiting taxicab permits by a ratio of taxicabs to population.

On June 28, 1979, the Common Council passed an ordinance that dropped all limits on the number of taxicab permits. Passed against the opposition of the taxicab industry, the ordinance spelled out minimal requirements and required a licensing fee of $70 per year (which was raised from $25). The Council also directed the staff to study the taxicab situation in the City. Two reports resulted; one was presented in 1980 and the other in 1982.

The impact of the open entry ordinance has been to change the structure of the industry. Prior to open entry there had been 380 permits, of which 175 had been held by Boynton Cab. The number of taxicab permits had been declining before 1979, with a high of 526 down 28% in 1973. After the bankruptcy of Boynton Cab and the issuance of the permits under the open entry ordinance, the industry emerged as a very fragmented one. As of August, 1983, there are 351 down 33% from 1973 permits, or a decrease of 29 compared with the 1979 figure. There are no fleets in operation; some of the 351 independent operators are associated with four cooperatives that pro-

vide radio dispatching services. Two of these cooperatives are composed of former drivers of Boynton Cab.

2.5 Phoenix

The Phoenix open entry situation is different from others discussed in this report in that it was the State of Arizona, not the City, that opened entry. Until June, 1982, all taxicabs in Arizona were regulated by the State Corporation Commission, and Phoenix and all other cities in Arizona were not involved in regulating taxicabs. When the State Corporation Commission was stripped of its taxicab responsibilities, the Arizona Department of Transportation was given the responsibility for enforcing insurance standards, and the Arizona Department of Public Safety was given authority to enforce safety standards. Neither agency has been given the staff resources to actively pursue taxicab enforcement, so these enforcement matters have been left largely to local officials.

Phoenix officials correctly anticipated that open entry would mean problems with taxicabs at the Phoenix Airport. To prepare for open entry, the City in June, 1982 issued annual permits to taxicabs serving the airport. The permit cost $300, and it required a listing of vehicles operated by the owner, a certificate showing minimum insurance coverage, a display of fares and the basis by which they are computed, and the owner and operator of the vehicle.

After the annual permit system had been in effect for several months, the City realized that this attempt at taxicab regulation was not enough control. The tremendous variation in taxicab rates

caused much negative publicity about rate gouging and the questionable safety condition of the taxicabs. In an attempt to establish more control, the City tried to contract service at the airport to five low bidders. The City issued 100 airport permits to five firms; Yellow Cab received 50 of these. This action was intended to decrease the number of taxicabs allowed to pick up at the airport, but it did not directly address the alleged safety condition of taxicab vehicles there. This method, however, was challenged in court by other companies because their annual permits were voided before they had expired. The City lost this suit and was forced to return to the annual permit system. The problems at the airport returned, and the City began planning for regulatory changes to take effect when the annual permits expired in June, 1983. The City manager appointed a staff Task Force to study the legal and administrative remedies available to the City to provide a long-term solution to the taxicab problems at the airport.

The Task Force carefully considered a variety of actions. The Task Force surveyed eight cities (including San Diego, Seattle, and Atlanta) to determine how these cities handle the problems facing Phoenix. The Task Force also considered the legal issues and constraints facing the City in adopting taxicab regulations. The City Charter does give the City the authority to establish taxicab stands and to regulate the setting and posting of fares. Also, there appear to be no general statutes that prevent the City

from setting driver and vehicle standards city-wide or contracting for taxicab service at the airport. However, the Task Force was concerned about possible antitrust problems emanating from the Boulder decision, a decision by the U. S. Supreme Court that limited the antitrust immunity of municipal governments. An issue paper was prepared discussing the antitrust question. This paper and the results of the survey were given to the City Council in May. The Task Force also gave the Council three alternative groups of regulatory actions: airport regulations only; city-wide regulations; and a combination of the two.

The Council selected the first alternative. After much discussion about possibly returning to an airport taxicab contract system, the Council adopted a modified permit system. The City established quarterly permits and minimum operating standards for taxicabs serving the airport. The permits each cost $75 per quarter, and they may be revoked by the City at any time. The minimum performance standards include vehicle safety standards, driver certification, detailed information on fares and how they must be uniformly computed by all airport taxicabs, and a prohibition on solicitation at the airport. Only the uniform fare computation and posting requirement applies city-wide.

The new ordinance has only been in effect since July, 1983. It is, therefore, too soon to determine its effect on taxicab operations. The City reports that there are currently 115 airport permits in effect; however, this quarter is not a peak tourist

time, and industry officials state that during the cooler quarters the number of airport permits will be much higher. The City does not know the number of taxicabs in the City as a whole. The City will re-evaluate the permit policy later this year.

Some insight into the effects of open entry can be derived from discussions with the major taxicab operator, Yellow Cab. Before deregulation, Yellow and one smaller company had all the taxicab permits in Phoenix, with Yellow owning about 300 permits. Now, Yellow operates 225 cabs, of which only 110 are company-owned cars and the rest are owner-operator cars affiliated with the Company. The Company reports that they have been increasing their percentage of owner-operators because of open entry and intend to continue this trend.

AIRPORT PROBLEMS

They also no longer allow their cabs to wait at the airport, although six of the Yellow-affiliated owner-operators do have airport permits. Immediately after open entry, Yellow temporarily boycotted the airport because of the problems there but then purchased 90 permits. When the City decided to contract for airport service, Yellow asked to keep their 90 airport vehicles but received only 50. Then, when the City lost its court suit and returned to the annual permit system, Yellow turned back its airport permits, except for a few held by its owner-operators. Now Yellow owns no airport permits except for the six owned by its owner-operators. Yellow also estimates that there are now

about 200 independent owner-operators in the city, meaning that about 425 taxicabs serve the City.

The taxicab regulatory situation in Phoenix is still subject to change. The City will be reviewing its airport permit policy. Also, the Visitor and Convention Bureau, which had been consulted by the City during its recent deliberations on taxicab regulatory revision, has pushed for more stringent city-wide regulations. It is not clear at this time what future regulatory actions are likely.

2.6 Sacramento

Taxicab regulation began in Sacramento in the 1940s and remained unchanged until 1952. Amendments were added then to limit the number of operating taxicabs to a ratio of 1 per 1500 population. In 1968, there was a modification made to the existing ordinance which increased the number of permits from those permitted under the population ratio (then 132) to 147. Throughout the 1970s the structure of the taxi industry in this city of 280,000 people showed little change. The City had three taxicab companies: Yellow, Sacramento Taxi, and Courtesy. In the mid 1970s, these three firms operated approximately 136 taxicabs, with about 95 of these belonging to Yellow. By 1981, there were only 123 taxi permits in effect, with these three firms holding 95, 20, and 8, respectively.

The decision to open entry in Sacramento was not made in haste. As early as 1978, four years before it adopted the open entry regulation, the City Council considered the feasibility of relinquishing its control over taxicab operations. The Council's primary motive was to rid itself of the task of setting fares. As part of its deliberations in 1978, the Council had the staff survey 35 California cities to determine how other cities were setting fares. The Council considered three options: repealing the municipal code (i.e. complete deregulation); establishing a Board of Convenience and Necessity; and retaining the current system. After much discussion, the Council decided that deregu-

lation would impede police powers to control the industry, and no major changes were made.

Two events sparked the City's decision to open entry in May, 1982. One was a strike of Yellow Cab employees on December 31, 1981 over the loss of union security and pension benefits. The other was the U. S. Supreme Court decision in January, 1982 in the case of Community Communications Company v. City of Boulder. The Court ruled that the City of Boulder was not immune from antitrust liability based on the powers given it by the State of Colorado. This decision spurred the Sacramento Department of Law to conclude that Sacramento could not limit the number of taxicab licenses, provide exclusive taxicab stands, or regulate fares without being subject to antitrust action. This legal opinion and protests from striking Yellow drivers led the Council to to direct the City staff to prepare a report concerning possible changes to the City's taxicab regulations. On May 25, these changes were enacted over the protests of the taxicab firms.

The 1982 ordinance eliminated the limit on the number of taxicab permits and discontinued fare regulation. Driver and vehicle permits are issued by the Director of Finance in accordance with procedures outlined in the ordinance. Operators are free to set their own rates, but these rates must be posted on the vehicles and filed with the Director. Rates may be changed no more frequently than once every three months. The ordinance also increased liability insurance limits, required twenty-four

hour dispatching, and strengthened the standards for vehicle inspections.

The open entry action dramatically changed the structure of the taxicab industry. Since open entry 16 new companies have formed. The number of taxicab permits increased from 110 in 1982 to 168 in August, 1983, an increase of 52.7%. Almost half of the new permits are held by Capitol City Co-op, comprised of former Yellow Cab drivers. The three firms that had existed prior to open entry all remain in business with approximately the same number of taxicab permits as before open entry. Thus, the increase in taxicabs is due to Capitol Cab Co-op, a few small firms, and owner-operators. The distribution of taxicab permits both before and after open entry is shown in Figure 6.

A major impact of open entry has occurred at the airport. Until open entry, Yellow Cab had an exclusive contract to provide taxicabs at the airport. With open entry the number of taxicabs increased substantially. The airport management hired starters at four locations, and these starters now call up taxicabs from a waiting area as needed. To pay for the starters, the airport charges $3.00 per trip for each taxicab leaving the airport. Still, the airport management reports difficulty controlling the conduct of taxicabs at the airport.

Most persons contacted in Sacramento report satisfaction with the open entry action. City officials claim that they are freed from regulatory tasks that formerly occupied their time, although

COMPANY	Number of Permits 1981	1982	1983*
Yellow Cab	95	80	82
dba Oak Park			
dba Union			
Sacramento Taxi	20	23	20
dba Greyhound			
dba Village			
Courtesy Cab	8	7	7
Capitol City Co-op	NF**	NF	27
River City Jitney	NF	NF	10
Shamrock Taxi	NF	NF	5
Walt's Taxi	NF	NF	4
American Cab	NF	NF	2
All 1-Cab Fleets***	NF	NF	11
TOTAL	123	110	168

FIGURE 6: Sacramento Taxicab Permits

* 1983 data represents as of August
** NF means not yet formed
*** represents the following companies: Camellia Cab, Deluxe, Golden Express, Golden State, Jack's Hack, Karen's Independent, Malibu, People's, Sacramento Cab, Sacramento Metro, Town and Country

SOURCE: City of Council Taxicab Analysis, April, 1983; City of Sacramento Department of Finance

they report that they now spend more time administering the remaining portions of the taxicab ordinance because of the larger number of taxicab operators. The owner--operators and Capitol City Co-op are pleased with the deregulation, although they express concern about the future need to limit entry into the industry and the high airport surcharge. Yellow Cab continues to oppose the open entry action.

2.7 San Diego

San Diego is one of the most celebrated cases of open entry. It is a significant case for two reasons. First, it has been extensively eveluated. In fact, San Diego and Seattly are the only two open entry cities for which data are available on the number of taxicab trips before and after open entry. Second, San Diego has slso reversed its open entry policy.

The decision to open entry in San Diego stemmed from two events in the mid-1970s. Yellow Cab, the major company in San Diego at the time, was owned by the Westgate Company, a large conglomerate that went backrupt in 1976. The financial troubles of Westgate spilled over into its subsidiaries, including taxicab companies in San Diego, Los Angeles, San Francisco, and several other cities. These problems precipitated a strike by Yellow Cab drivers in 1976. Concerned about the drop in available taxicabs, the City Council issued emergency thirty-day certificates to be distributed among existing multi-certificated holders. Striking drivers filed for the individual permits as part of their strike action, and for the first time, independent owner-operators entered the market. During these years, however, the City maintained its entry controls based on a ratio of taxicabs to population.

In 1979, this regulatory environment changed when the City Council passed a new paratransit ordinance. This ordinance changed many aspects of taxicab regulation, including the removal of fare

controls and the licensing of jitneys. It also effected open entry by allowing a pre-determined number of new taxicab permits to be issued each month. This number was soon set at fifteen. The ordinance also removed the public convenience and necessity requirement, which had been administered by the Council, and replaced it with a permitting process administered by the City Manager.

The most immediate impact of the open entry action was the subsequent increase in the number of taxicabs and independent owner-operators. The size and distribution of the San Diego taxicab industry both before and after the open entry action are shown in Figure 7. Before open entry, the industry already had 60 independent owner-operators, 7 small firms and one large fleet. After open entry, the non-fleet number and the total number of taxicabs both rose steadily. In July of 1983, there were 915 taxicab permits, an increase of 123.7% compared to the pre-open entry situation four and one-half years earlier. The number of taxicab firms increased from 68 before open entry to 310 in July, 1983.

As shown in Figure 8, the increase in taxi permits was not warranted by an increase in demand for taxicab service. In fact, demand decreased during this period. During the first year of open entry (the only year for which demand data are available), the number of taxi trips per week fell by 3.6%, and the average taxi trips per taxi decreased by 26.6%. Thus, more taxicabs were

FIGURE 7

Operator	1978	1979	1980	1981	1983
Yellow	280	280	281	281	281
Other Fleets (4 or more cabs)	50	91	165	238	158
Small Fleets (2-3 cabs)	n.a.	21	63	96	n.a.
Individuals	n.a.	96	132	137	n.a.
TOTAL	409	488	641	752	915
No. of Companies	68	116	175	202	310

FIGURE 7: San Diego Permits

Source: DeLeuw, Cather and Company, (1982) and San Diego Paratransit Administrator, (1983).

FIGURE 8

Indicators	1979	1980	%
No. Of Taxis	488	641	31.3%
Taxi trips/week	44,420	42,830	-3.6%
Trips/taxi	4733	3474	-26.6%

FIGURE 8: Taxi Productivity, San Diego

Source: DeLeuw, Cather and Company, 1982,

competing for a smaller aggregate market.

The UMTA evaluation of the San Diego deregulation cites several other results. One is that vehicle age apparently increased after open entry, although data on vehicle age before deregulation are not available. Also, there has been little service innovation by taxicab operators since deregulation. Finally, the City's costs of administering the taxicab regulations have increased by an estimated 158% from 1979 to 1981.

One critical result of open entry has been problems at Lindbergh Field. Since the number of taxis operating out of the airport increased from 396 to 600 after open entry, the taxicab waiting lines at the airport also increased. Drivers' waiting time at the airport similarly increased, and increased incidents of short-haul refusal problems and price gouging were reported through the end of 1981.

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To combat these problems, the San Diego Unified Port District, the agency that operates Lindbergh Field, took several actions. First, in late 1979, the Port imposed a temporary moratorium on airport permits. After determining that it could not legally limit the number of airport permits, the Port raised the permit fee to $200 per year. It also hired seven full-time starters and limited the fares that could be charged for taxicab trips leaving the airport.

However, the problems did not disappear, and the City and the the Port took actions in May of 1983 to re-regulate taxicabs.

The City imposed a one-year moratorium on the issuance of new taxicab permits and allows no transfers of permits except for death or hardship cases. In July, the Port held a lottery by which 450 of the taxis drew for rights to serve the airport for six months. This lottery will be repeated every six months. The Port also established an odd-even plan whereby half of these 450 airport taxis are allowed to wait at the airport on odd and even days. The Port allows no transfers of airport permits.

Clearly, the San Diego experience with open entry is not finished. Since the beginning of 1982, the industry has changed in that more transfers of licenses have occurred and several jitney operations have been started. Both the City and the Port are still evaluating and experimenting.

2.8 Seattle

Taxicabs were first regulated in Seattle in 1930. Entry under the 1930 ordinance was controlled through a population ratio of one cab per 2500 residents, although the actual number of taxicabs in Seattle was more than this ratio would have allowed. There was no change in the taxicab regulation until 1977 when the City agreed with King County on a reciprocal arrangement whereby cabs licensed in either jurisdiction could be licensed by the other. During this period, not only did the City and the County license taxicabs, but also the Seattle-Tacoma Airport licensed cabs. In 1971, the Airport signed a five-year contract with Airport Cab Company for exclusive service. Near the expiration of this contract, Airport Cab realized that the Airport was not going to sign another exclusive contract, and the Company applied for County licenses for its taxicabs. These taxicabs then became eligible for City permits when the 1977 reciprocal agreement came into effect.

Open entry in Seattle occurred in May, 1979. This action by the City Council followed the election of a reform-minded Council in the late 1970s. One objective of this new Council was to review the City's regulatory policies in all industries that the City in any way controlled. The City systematically examined existing regulations in such diverse industries as chimneysweeps and electric power. The taxi industry was also subjected to this regulatory review when the industry requested a rate increase. The

City adopted goals of removing regulatory barriers to competition, promoting innovative taxicab services, and encouraging multijurisdictional regulation.

The City's open entry ordinance removed the ceiling on the number of taxi permits and on the number of permits allowed per operator. In so doing, the ordinance eleminated the taxi-to-population ratio that had existed. The same ordinance also removed City control over fares and encouraged taxicab operators to establish special fares for shared-riding and weekends or evenings. This ordinance was passed over the protests of the taxicab industry.

The immediate result of the open entry was a sharp increase in the number of taxicabs and taxi companies. Before open entry there were already 57 taxicab companies operating a total of 421 cabs. Of these, 295 were operated by three firms, each of which operated as service firms with most of their vehicles owned by drivers. As shown in Figure 9, the number of taxicabs grew over 25% in the first two years after open entry. During this time period, the number of independent owner-operators nearly doubled from 126 to 230. The three largest firms decreased in aggregate size to 287 taxis. The number of taxi companies grew from 57 before open entry to 85 two years later.

As happened in San Diego, the total demand for taxicab service declined while the industry was expanding. During the first two years of open entry (the time period for which taxi trip data

Operator	Number of Permits 1979	1980	1981	1983
Far West	113	n.a.	n.a.	144
Yellow	104	n.a.	n.a.	108
Greytop	78	n.a.	n.a.	35
Others	126	197	207	230
TOTAL	421	519	527	517
No. of Companies	57	81	85	n.a.

FIGURE 9: Distribution of Seattle Permits

Source: Deleuw, Cather and Company, (1982) and Seattle Department of Licenses and Consumer Affairs, (1983).

are available) the number of taxi trips per week decreased by 24.8% while the number of taxicabs increased from 421 to 527. As a result, the average number of trips per taxicab decreased by 48.4%. During this time period the percentage of the taxi trips that were airport-related increased from 7% to 16%.

The UMTA evaluation of Seattle's deregulation reveals some insights into why the taxicab demand decreased. The average industry fare for a five-mile taxi trip increased 72% from 1979 through April, 1982. About one out of four telephone requests for taxicab service were refused by the taxicab operators receiving the calls. The average age of Seattle's taxicab vehicles increased 50%, from four years to six years, between 1979 and 1981. Little or no service innovations occurred, and most new taxicab operators congregated at the Airport.

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According to the UMTA evaluation, the open entry experience has also increased the regulatory burden on the City and the Airport. More vehicle inspections have been required (1454 in 1979; 1671 in 1980). Also, the Airport has had to install a closed-circuit television system and to increase enforcement of taxicabs at the Airport. For 1981, the Airport extimates that its enforcement costs were $71,542. In March, 1981, the Airport responded to problems of exhorbitant taxicab fares by imposing a ceiling on taxicab fares from the Airport. In addition, after trying to get the County to stop reciprocal licensing of City cabs, the Airport raised the Airport taxicab permit fee nearly 400%, from $100 per

year to $90 per quarter.

Currently, open entry is still in effect in Seattle. The demand for new taxicab permits has flattened during the past year, and the fares have remained relatively constant. The City reports receiving only a few complaints per month regarding taxicab service innovation.

At least one of the major operators, however, reports a different perspective on the open entry experience in Seattle. FarWest Taxicab Company confirms that taxicab vehicle age has increased and that there are increased incidents of rate gouging at the Airport. FarWest is supporting attempts in the state legislature to pass two bills that would specifically authorize local governments to regulate taxicabs and would provide State control over key taxi regulatory matters.

2.9 Spokane

Prior to 1980, Spokane was served by 100 taxicabs, of which 96 were owned by Yellow Cab. These 100 permits were controlled by a population ratio of one cab per 2000 residents.

In the late 1970s, two events combined to lead the City to opt for open entry. One event was a Kansas City taxicab conference held in 1980. Several public officials from Spokane attended this conference and were impressed with the accounts of recent open entry actions in Seattle and San Diego. The second event was the petition in 1979 of a new company that wanted to enter the industry. The applicant promised to operate 45 taxicabs and claimed that he was going to improve the quality of taxicab service in Spokane.

The Spokane City Council held several public hearings on a proposed new taxicab ordinance. Yellow Cab fought against the proposed ordinance by meeting with various Council persons and the City Attorney. The Company also contacted several other cities that had open entry and were dissatisfied with it, and asked them to write to the council expressing their feelings. However, the Company soon found that they were fighting a losing battle, and fearing bad publicity, they did not openly protest at the public hearings. In 1980, the City passed the open entry ordinance.

The new ordinance established minimal standards of service and stipulates that the permittee buys or leases a vehicle for each permit issued. It also requires that the permittee main-

tain an office or authorize an agent to maintain an office in the City. A permittee must also have an easily obtained business license and have his taximeters inspected. This new ordinance also deregulated fares.

The size and structure of the taxicab industry has changed since open entry. During fiscal year 1983 (ending in June, 1983), there were 92 permits in the City. When the permits were renewed for fiscal year 1984, only 80 were renewed. One reason for the decline in taxi permits is that the firm that had applied for new permits in 1979 recently went out of business after reaching a maximum of 12 cabs in operation. Of these, 57 are affiliated with Yellow Cab, and most of these are operated by owner-drivers. Yellow, which had exclusive rights at the airport before open entry, no longer serves the airport but rather concentrates on package delivery, telephone business, and providing dispatching to owner-drivers. The remaining 23 permits are operated by independent owner-operators, who concentrate their services at the airport.

The overall results of the open entry action are reported differently by City officials and Yellow Cab officials. The Spokane taxi regulators report general satisfaction with open entry. They report positive results, citing that one company no longer controls almost all the permits. They report having had enforcement problems with the company that recently went out of business, and they express confidence that future problems will

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be minimal. Yellow Cab, however, reports a different picture. They claim that the quality of service has deteriorated, and they cite receiving a dozen complaints each week about taxicabs at the airport--complaints which are properly directed at other operators since Yellow no longer serves the airport. These complaints reportedly center on price gouging, unsafe vehicles, and discourteous drivers.

1980 100 PERMITS

1983 92 PERMITS

3.0 CONCLUSIONS

The nine cases described in this Report provide valuable insights into the results of open entry policies. The cases come from across the country, and they represent a high proportion of the few cities that have changed to open entry. Thus, the cases presented hererin are presumably representative of open entry cases in the U.S.

There is an obvious limitation to the analysis in this Report. Open entry creates many types of impacts that are experienced by users, taxicab operators, public officials, airport managers, and local business people. Moreover, these impacts change over time. To document the scope of these impacts and how they affect various segments of these communities would require more time and resources than are available for this analysis. As a consequence, this analysis has focused on the impacts of open entry on the taxicab industry size and structure in each of the nine cities and on impacts that are documented in other studies.

While this analysis may not include all impacts of open entry, it does lead to important insights into the results of open entry. The nine cases exhibit a number of common themes and facts, and these are presented in the remainder of this section. In presenting these conclusions, two principles are followed. First, the conclusions are based on documented facts from the cases. Second, the degree to which each conclusion applies to the nine cases is noted. The conclusions are presented in two

categories: those that concern the process of opening entry, and those that relate to the results of open entry.

3.1 Establishing Open Entry

3.1.1 Extensive Competition Before Open Entry

In all but two cities (Phoenix and Spokane), there was extensive competition within the taxicab industry before open entry was enacted. San Diego, for example, had 68 taxicab companies, and Seattle had 57. While the term "opening entry" connotes the infusion of competition, these cases demonstrate that extensive competition already existed in seven out of the nine cities.

3.1.2 Circumstances

The open entry cities exhibit similarities with respect both to their locations and the times when they enacted open entry. Many of the cities changed to open entry in 1979 or after. This time period coincided with the enactment of open entry in the air transport industry. Also, several of these cities are located in the west coast region of the country. This proximity effect is reinforced by the fact that in both Spokane and Fresno the local officials communicated with San Diego and Seattle about open entry in those cities before enacting open entry in spokane and Fresno.

3.1.3 Precipitating Events

There are some similarities in how deregulation was decided upon in these nine cities. Except for Phoenix, where state action

effected open entry, and Atlanta, where open entry was the response to a civil rights issue, open entry was strongly related to the occurrence of specific events. There is striking similarity in these events.

In six of the cities open entry discussions were precipitated by events within the local taxicab industries. In Milwaukee and Indianapolis, major taxicab companies went out of business, spurring local officials to consider open entry. In two cities (San Diego and Sacramento) strikes by the major fleets precipitated open entry. Requests for higher fares were the events that created open entry consideration in Fresno and Seattle. The association of these events with the open entry decision does not mean that these events caused open entry, but rather that they focused local attention on the taxicab industry. It is possible that open entry decisions would have been made--perhaps at a later date--in these cities had there been no precipitating events.

It is noteworthy that the Boulder decision has not been an important precipitating event. In only Phoenix and Sacramento has the Boulder decision been cited as a factor that has affected how the cities have chosen to regulate taxicabs.

3.1.4 Studies

With a few exceptions, the nine cities analyzed their taxicab situations and/or the impacts of open entry on their taxi industries. Surveys of other cities were conducted in Fresno,

Sacramento, and Phoenix. Milwaukee has conducted two studies, although both were after open entry. Seattle and San Diego both conducted analyses of their local industries, and Spokane sent local officials to a taxicab conference in Kansas City. Only Indianapolis did not conduct analyses of open entry or its local taxicab industry.

It is significant, however, that all of these studies were conducted in-house using city staff. No evidence is available of a city hiring an outside objective analysis of taxicab service.

3.2 Open Entry Impacts

3.2.1 Increase in Industry Size

The effects of open entry on industry size have been uneven. As shown in Figure 10, six of the cities have experienced an increase in the numbers of taxicabs after open entry. However, caution must be used in interpreting some of the numbers in Figure 10 because the time periods are not consistent from city to city. For example, Atlanta data are for an eighteen-year period, although the number of taxicabs has not changed appreciably since entry was closed. Also, the Fresno data cover a period during which entry was opened and then closed.

A second phenomenon confounds the data in Figure 10. Studies of the taxicab industry show that there has been a nationwide trend toward fewer taxicabs. There is evidence of this shrinkage effect in several of the cities examined in this study. That

City	No. of Taxi Permits Before	After
Sacramento	110 (1982)	168 (1983)
San Diego	409 (1978)	915 (1983)
Seattle	129 (1979)	230 (1983)
Indianapolis	502 (1972)	466 (1974)
Milwaukee	308 (1979)	351 (1983)
Fresno	70 (1979)	45 (1983)
Spokane	100 (1980)	80 (1983)
Atlanta	700 (1965)	1538 (1983)
Phoenix	300 (1981)	425 (1983)

FIGURE 10: Taxicab Permits Before and After Open Entry

is, before open entry the numbers of taxicabs were frequently declining, and these trends have sometimes continued after open entry. Examples are Fresno, Indianapolis, and Spokane.

In other cities, however, the opening of entry was accompanied by dramatic increase in the number of taxicabs. Phoenix, Atlanta, Sacramento, San Diego and Seattle typify this result. Apparently, the taxicab business in these cities was viewed as a more lucrative business than in Indianapolis, Fresno, or Spokane. In Milwaukee the number of cabs increased somewhat even though the major fleet left the industry.

These results mean that the impact of open entry on industry size is not predictable with certainty. Several other factors intervene, such as the previous size of the industry and the trends in the demand for taxicab rides.

3.2.2 Changes in Industry Structure

The impacts of open entry on the structure of a local taxicab industry are highly consistent from city to city. In all the cities, the industry shifted markedly toward more independent owner-operators. This result is evident even though there was extensive competition within the industry in seven of the nine cities. For example, San Diego had 68 taxicab companies before open entry, 175 the year after open entry, and 294 two years later. Seattle changed from 57 taxicab companies to 85 within two years. Sacramento added 16 taxicab companies to its existing 3 companies. In Indianapolis the number of independents increased from 10 to

85. The other case study cities exhibited similar increases in independent operators.

3.2.3 Airport Problems

A common, although not universal, open entry result has been a large increase in problems at airports. The problems are consistent from city to city: over-charging, short-haul refusals, and driver behavior. These problems have been evident at airports at which the numbers of taxicabs have greatly increased. Examples are San Diego, Seattle, Sacramento, and Phoenix. These results lead to the conclusion that open entry without airport entry controls will result in problems, and that the extent of these problems is relative to the amount of air passenger traffic at the airport.

To combat these problems, several airports have enacted their own controls over taxicabs. Taxicab fees were increased by the airports in San Diego, Seattle, and Sacramento, and starters were hired by San Diego and Sacramento. Seattle-Tacoma Airport even installed a closed-circuit television system to monitor taxicab operations. The San Diego Airport and the City of Phoenix both have enacted limits on the numbers of taxicabs that can pick up passengers.

3.2.3 Other Impacts

The other impacts of open entry are more difficult to document because they require extensive data before and after open

entry. Only Seattle and San Diego have been subjected to such a thorough analysis. Therefore, conclusion regarding other impacts can be based only on these two cities.

There are three impacts that are of particular importance and which have been documented in both San Diego and Seattle. One is decreasing productivities resulting from lower taxicab demand combined with greater numbers of taxicabs. A second is higher costs of enforcement, although the data for both cities is sparse with respect to enforcement costs. A third is the incidence of taxicab service and fare innovations. Fare innovations are reported to be almost non-existent, and there have been few service innovations that have been instignated by the taxicab industries in these two cities since open entry.

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25. Ibid.

26. This section is based on an ITA sponsered report called De-control and Recontol: Atlanta's Experience with Taxi Regulation (1982) unless otherwise noted.

27. Interview with Abdul-Haadee Mohammed, Atlanta, Georgia, 12 August, 1983.

28. This section is based on interviews with Phoenix City staff and City documents unless otherwise noted.

29. Interview with Jim Holshouser, Phoenix, Arizona, 4 August, 1983.

30. Interview with Barry Shener, Phoenix, Arizona, 22 August, 1983.

Same title

WHEREAS, Chapter 28 of the Fort Wayne Municipal Code of Fort Wayne, Indiana, 1974 is in need of revision;

NOW, THEREFORE BE IT ORDAINED BY THE COMMON COUNCIL ~~THAT~~ OF FORT WAYNE, INDIANA:

SECTION 1. That Chapter 28 is hereby repealed and replaced with a new Chapter 28 of THE MUNICIPAL CODE ~~ENTITLED~~ "TAXICABS", which new Chapter is annexed ~~Here~~ hereto. ~~follows~~.

SECTION 2 That this ordinance ~~shall~~ be in full force and effect ~~from and after its~~ ~~on Jan 1, 1986.~~ passage and any ~~necessary approval by the Mayor~~ after its passage and any necessary approval by the Mayor; ~~on~~ on Jan 1, 1986.

Council Member

Approved as to form and legality

S.A.L, Council Attorney

BILL NO. S-85-10-32

SPECIAL ORDINANCE NO. S-_____

AN ORDINANCE amending Article III, of Chapter 28 of the Fort Wayne Municipal Code of Fort Wayne, Indiana 1974

WHEREAS, the current fares allowed to be charged for the carrying of passengers by taxicabs should be considered from time to time in order to determine the adequacy of said rates;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF FORT WAYNE, INDIANA:

SECTION 1. That Section 28-30 of Article III, Chapter 28 of the Fort Wayne Municipal Code of Fort Wayne, Indiana 1974 be amended at paragraph (b) to read as follows:

(b) Charging of fares by taximeter rate. The following fares shall be charged for the carrying of passengers by taxicabs:

(1) From one to and including four (4) passengers, for the first one-tenth mile or fraction thereof, the fare shall be one dollar ($1.00);

(2) For each additional one-fifth mile or fraction thereof, the fare shall be an additional twenty-five cents ($0.25);

(3) An additional charge of fifty cents ($0.50) shall be made for transporting over two (2) passengers. No additional charge for passengers twelve (12) years of age or under;

(4) For each one and a half minutes of waiting time or fraction thereof, the fare shall be an additional twenty cents ($0.20) or seven dollars and fifty cents ($7.50) per hour.

(c) Hourly rates. Any person engaging a metered taxicab, shall have the option at the time of engaging such taxicab of electing payment by the taximeter rate or by the hourly rate set out above. If a person engages a taxicab at the hourly rate the meter need not be used and the hourly rate shall not exceed the following schedule:

(1) Seven dollars and fifty cents ($7.50) for the first hour, or fraction thereof.

(2) One dollar and eighty-seven cents ($1.875) mills for each fifteen (15) minutes or fraction thereof, after the first hour.

SECTION 2. ~~Said Section,~~ shall remain in full force and effect. The Remainder of said section of chapter 28 and thereafter

SECTION 3. That this Ordinance shall be in full force and effect on the 1st day of January, 1986 ~~from and after its passage and any and all necessary approval by the Mayor,~~ providing it is first passed by the Common Council and receives all necessary approvals by the Mayor.

_____
Councilmember

Approved as to form and legality

_____
Stanley A. Levine, Council Attorney

BILL NO. S-85-10-31 (as amended)

REPORT OF THE COMMITTEE ON PUBLIC RELATIONS

WE, YOUR COMMITTEE ON PUBLIC RELATIONS TO WHOM WAS REFERRED AN (ORDINANCE) (RESOLUTION)

HAVE HAD SAID (ORDINANCE) (RESOLUTION) UNDER CONSIDERATION AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID (ORDINANCE) (RESOLUTION) AS AMENDED

YES		NO
James Stier	JAMES S. STIER CHAIRMAN	
Janet G. Bradbury	JANET G. BRADBURY VICE CHAIRWOMAN	
Ben A. Eisbart	BEN A. EISBART	
Charles B. Redd	CHARLES B. REDD	
Donald J. Schmidt	DONALD J. SCHMIDT	
Thomas C. Henry	THOMAS C. HENRY	
	MARK E. GiaQUINTA	
	PAUL M. BURNS	
Samuel J. Talarico	SAMUEL J. TALARICO	

CONCURRED IN 10-22-85

SANDRA E. KENNEDY
CITY CLERK